

2003-228-CD
RE: MICHAEL S. SENSENICH

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY
PENNSYLVANIA
CIVIL DIVISION

FILED

IN RE: PETITION OF MICHAEL S. SENENICH
TO TRANSFER STRUCTURED
SETTLEMENT PAYMENT
RIGHTS

FEB 20 2003

112:201W

William A. Shaw

Prothonotary/Clerk of Courts

2003-228-C0

No. 2003-228-C0

**PETITION TO TRANSFER STRUCTURED
SETTLEMENT PAYMENT RIGHTS**

Petitioner, MICHAEL S. SENENICH, brings forth the following Petition to Transfer Structured Settlement Payment Rights pursuant to, and in compliance with, the Structured Settlement Protection Act, 40 P.S. §§ 4001-4009, and in support states as follows:

1. The Petitioner is MICHAEL S. SENENICH, an adult individual whose date of birth is April 5, 1965, and who resides at RD 1, Box 683, Osceola Mills, Clearfield County, Pennsylvania, 16666. This Court has venue pursuant to the Structured Settlement Protection Act, because the Petitioner is domiciled in Clearfield County, Pennsylvania.

2. On or about September 16, 1985, Petitioner sustained injuries as a result of an accident. Thereafter, on June 17, 1997, Petitioner entered into a Release and Settlement Agreement with The Cincinnati Insurance Company. The Agreement provided for monthly payments of \$800.00 to Petitioner for life, guaranteed for a minimum period of thirty (30) years, commencing July 1, 1997. Additionally, the Agreement provided for three (3) lump sum payments, each in the amount of \$86,500.00, and due on April 5, 2002, April 5, 2007 and April

5, 2012. A true and correct copy of the Release and Settlement Agreement dated June 17, 1997, is attached as Exhibit "A." The Agreement further provides that "[a]ll monies set forth above constitute damages on account of personal injuries arising from an accident or occurrence, within the meaning of Section 104(a)(2) of the Internal Revenue Code of 1954 [sic], as amended."

3. The obligation to make the monthly periodic payments is held by The Cincinnati Insurance Company, the Structured "Settlement Obligor" as defined by 40 P.S. § 4002. The Cincinnati Insurance Company is located at 6200 South Gilmore Road, Fairfield, OH 45014-5141.

4. The Cincinnati Insurance Company funded the obligation by purchasing an annuity (Annuity Contract Number K2526639) from The Cincinnati Life Insurance Company, the "Annuity Issuer." Id. The Cincinnati Life Insurance Company is located at 6200 South Gilmore Road, Fairfield, OH 45014-5141. True and correct copies of the application for annuity and the confirmation of benefit schedule issued by The Cincinnati Life Insurance Company are attached collectively as Exhibit "B."

5. On January 8, 2003, Petitioner executed a Structured Settlement Payment Right Purchase and Assignment Agreement (the "Purchase Agreement"), a true and correct copy is attached and incorporated herein as Exhibit "C." The Purchase Agreement provides for the assignment of Petitioner's right and interest in receiving one (1) lump sum payment of \$86,500.00 due on April 5, 2007 (the "Assigned Payment"), to Structured Asset Funding, LLC, and its assigns (the "Transferee"). Structured Asset Funding, LLC ("SAF") is a Florida Limited Liability Company with its principal place of business at 1250 East Hallandale Beach Blvd., Suite 406, Hallandale, FL 33009.

6. The Petitioner shall retain all right and interest in receiving the remaining balance not assigned of: monthly payments of \$800.00 to Petitioner, guaranteed for a minimum period of thirty (30) years, commencing July 1, 1997 through and including June 1, 2027 and for life thereafter; and the entire lump sum payment of \$86,500.00 due on April 5, 2012 (the “non-assigned payments”).

7. The Purchase Agreement was executed by the Transferee on January 10, 2003.

8. Additionally, as set forth in further detail in his Affidavit dated January 8, 2003, attached and incorporated herein as Exhibit “D,” Petitioner avers that:

- a. He desires to sell the Assigned Payments to Structured Asset Funding, LLC.
- b. He is thirty-seven years old, married, and has no children. The transaction contemplated by the Purchase Agreement is in his best interest and the best interest of his family, it will improve the quality of their lives, and he has thoroughly considered all of the ramifications of the transaction.
- c. He is in need of the money to pay property taxes and to complete necessary home improvement projects, including improvements to their barn and fence, and to pay for the costs associated with subdividing a portion of their fifty (50) acre lot so that it can be sold.

9. Petitioner has been provided, and has acknowledged receipt at least 10 days prior to receipt of the Purchase Agreement, of the “Transfer Disclosure” and an “Amended Transfer Disclosure” required by 40 P.S. § 4003 (a)(2) attached and incorporated as Exhibit “E.” As set forth in greater detail in the Transfer Disclosure, and as modified by the Amended Transfer Disclosure, the following terms have been disclosed to the Petitioner:

- a. The amount and due date of the structured settlement payment to be transferred is: one (1) lump sum payment of Eighty-Six Thousand Five-Hundred and 00/100 Dollars (\$86,500.00), due and payable on April 5, 2007.

- b. The aggregate amount of the structured settlement payments to be transferred is \$86,500.00.
- c. The discounted present value of the payments transferred using the most recently published applicable federal rate for determining the value of an annuity is \$73,556.79.
- d. The federal discount rate used to determine the discounted present value is the effective annual rate of 4.00% as of 2/5/03.
- e. The gross amount payable to Petitioner in exchange of the transferred payments is \$45,000.00.
- f. The good faith itemized listing of all broker's commissions, service charges, legal fees, notary fees, costs etc. deductible from the gross amount otherwise payable to the Petitioner is: \$0.00.
- g. The net amount payable to Petitioner after deduction of the above commissions, legal fees, etc., is \$45,000.00 minus any advances made to Petitioner or on Petitioner's behalf for notary and fax fees and advances related to attorney fees, or any other advances made to Petitioner against the amount payable to Petitioner.
- h. The quotient is 61.18%.
- i. The amount of penalty and aggregate amount of any liquidated damages inclusive of penalties payable by the Petitioner in the event of any breach of the Purchase Agreement by the Petitioner is: \$0.00.

10. Petitioner has been provided, and has acknowledged receipt prior to entering into the Purchase Agreement, of the written "Important Notice" in bold print 12-point type required by 40 P.S. § 4003 (b). A true and correct copy of Petitioner's acknowledgement of the receipt of the § 4003 (b) notice is attached as Exhibit "F."

11. Petitioner has acknowledged that he expressly waives independent legal advice regarding the implications of the transfer, including tax ramifications of the transfer, as set forth in the acknowledgement attached as Exhibit "G."

12. On January 24, 2002, "The Victims of Terrorism Tax Relief Act," PL 107-134, 115 Stat. 2427, was enacted, which in part, amends the Internal Revenue Code of 1986. The Act

amends 26 U.S.C.A. § 5891 and now provides for favorable tax treatment of “structured settlement payment factoring transactions” that are approved in advance by a qualified court order approving the transaction. 26 U.S.C.A. § 5891 (b)(1). A “structured settlement payment factoring transaction” is defined as “a transfer of structured settlement payment rights (including portions of structured settlement payments) made for consideration by means of sale, assignment, pledge, or other form of encumbrance or alienation for consideration.” 26 U.S.C.A. § 5891 (c)(3)(A) (parentheses in original). A “structured settlement” is defined as an arrangement established by “agreement for the periodic payment of damages excludable from the gross income of the recipient under [Internal Revenue Code] section 104 (a)(2)...” and under which the periodic payments are “of the character described in subparagraphs (A) and (B) of section 130(c)(2).” A true and correct copy of 26 U.S.C.A. § 5891 is attached hereto as Exhibit “H.”

13. 26 U.S.C.A. § 5891 (d)(1) was also added by the Act and provides:

[I]f the applicable requirements of sections 72, 104(a)(1), 104(a)(2), 130, and 461(h) were satisfied at the time the structured settlement involving structured settlement payment rights was entered into, *the subsequent occurrence of a structured settlement factoring transaction shall not affect the application of the provisions of such sections to the parties to the structured settlement* (including an assignee under a qualified assignment under section 130) *in any taxable year*.

(Emphasis added).

Accordingly, a favorable tax result is in effect at the time the Payee and the Transferee propose to enter into the Purchase Agreement.

14. Since a favorable tax result is in effect, approvals of the Settlement Obligor and the Annuity Issuer to the proposed transfer are not required. 40 P.S. § 4003 (a)(5)(i)(A).

15. The structured settlement did not arise out of a workers’ compensation claim.

16. Petitioner has seriously contemplated this transaction, and due to his personal circumstances and needs, believes that this assignment is in his best interests, taking into account the welfare and support of Petitioner's dependents.

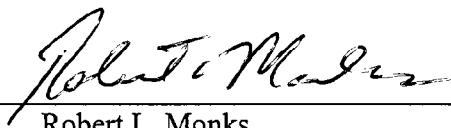
17. Petitioner acknowledges that counsel, Jones, Gregg, Creehan & Gerace, LLP has not been engaged to render professional advice with respect to the advisability, or the implications of the transfer, including the tax ramifications of the transfer. Counsel has been engaged solely to prepare and present the within Petition, based upon Petitioner's independent determination and/or professional advice obtained from others, with respect to the advisability and ramifications of the transfer.

WHEREFORE, Petitioner prays that this Honorable Court grant this Petition to Transfer Structured Settlement Payment Rights.

Respectfully submitted,

Jones, Gregg, Creehan & Gerace, LLP

By:



Robert L. Monks
PA I.D.# 52760
411 Seventh Avenue
Suite 1200
Pittsburgh, PA 15219
412-261-6400

Counsel for Petitioner, Michael S. Sensenich

VERIFICATION

I, Michael Sensenich, have read the foregoing Petition to Transfer Structured Settlement Payment Rights and hereby aver that the statements contained therein are true and correct to the best of my knowledge, information and belief.

This Verification is made subject to the penalties of 18 Pa.C.S.A. Section 4904 relating to the unsworn falsification to authorities.

Michael A. Sensenich
Michael Sensenich

Dated: 2-14-03

Thomas J. Brenner, Esquire
 LD. No. 32085
 GOLDBERG, KATZMAN & SHIPMAN, P.C.
 320 Market Street
 P.O. Box 1268
 Harrisburg, PA 17108-1268

Attorney for Defendants, S. J. Ball Construction Co., Ball Builders, Inc. and New Home Financial Services, Inc.

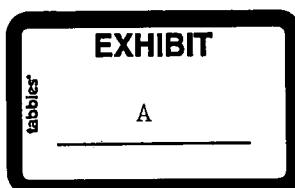
SHAWN L. INK and MICHAEL S.
 SENSENICH,
 Plaintiffs
 v.
 METROPOLITAN EDISON
 and BALL BUILDERS, INC.,
 Defendants

: IN THE COURT OF COMMON PLEAS
 : BERKS COUNTY, PENNSYLVANIA
 :
 : NO. 182 SEPTEMBER, 1987
 :
 : CIVIL ACTION - LAW
 :
 :

JOINT TORTFEASOR RELEASE AND SETTLEMENT AGREEMENT

This Joint Tortfeasor Release and Settlement Agreement is made and entered into by
 MICHAEL S. SENSENICH and BALL BUILDERS, INC., S.J. BALL CONSTRUCTION,
 and CINCINNATI INSURANCE COMPANY, an Ohio corporation.

KNOW ALL MEN BY THESE PRESENTS that I, MICHAEL S. SENSENICH, for
 the sole consideration of a settlement comprised of EIGHT HUNDRED THOUSAND
 DOLLARS (\$800,000.00) to be paid to me, which includes the TWENTY-FIVE THOUSAND
 DOLLAR (\$25,000.00) advance of settlement proceeds paid on June 4, 1997, and an annuity
 with a present value of TWO HUNDRED THOUSAND DOLLARS (\$200,000.00) in hand
 paid by BALL BUILDERS, INC., S.J. BALL CONSTRUCTION, and CINCINNATI
 INSURANCE COMPANY ("Payers"), the receipt whereof is hereby acknowledged, have
 released and discharged and by these presents do for myself, my heirs, executors,
 administrators, and assigns release and forever discharge the said Payers (and all of them) and
 all other persons, firms, and corporations, excepting only the persons hereafter named, both



known and unknown, of and from any and all claims, for or because of any matter or thing done, omitted or suffered to be done by anyone prior to and including the date hereof on account of all injuries both to person and property resulting, or to result, from the accident which occurred on or about September 16, 1985, in the Oaks Development, Spring Township, Berks County, Pennsylvania.

I understand that said Payers (and any of them) by reason of agreeing to this compromise payment, neither admit nor deny liability of any sort, and said Payers (and any of them) have made no agreement or promise to do or omit to do any act or thing not herein set forth, and I further understand that this Release is made as a compromise to avoid further expense and to terminate all controversy and/or claims for injuries or damages of whatsoever nature, known or unknown, including future developments thereof, in any way growing out of or connected with said accident.

MICHAEL S. SENSENICH expressly reserves the right to make any and all claims against METROPOLITAN EDISON named as a Defendant in the above-captioned lawsuit and reserves the right to claim that METROPOLITAN EDISON, not the Payers, are liable to him for his losses and damages.

Further, the claimant agrees that any recovery he may obtain against any other person, firm, or entity named as defendants in the above-captioned lawsuits shall be reduced to the extent of pro-rata percentage or other share of liability of the Payers so that there can be no right of contribution or indemnification by such other persons, firms, or entities named as

defendants in the above-captioned lawsuits against Payers. It is the intention of the claimant and the Payers that this release is a pro-rata Joint Tortfeasor Release and that it be construed and interpreted in compliance with the 1987 Pennsylvania Supreme Court case of Charles v. Giant Eagle Markets v. Stanley Magic Door, Inc., 513 Pa. 473, 522 A.2d 1 (1987), in such a manner that there can be no claims for contribution or indemnification against Payers.

Further, should it appear or be adjudicated in the above-captioned lawsuit or in any other action or proceeding of any kind or nature, whether or not now pending, that the Payers and others were liable for joint and concurrent negligence or were jointly or severally liable in tort for any losses, injuries, or damages incurred by the claimant as a result of the accident identified above, then, in order to save the Payers harmless, the claimant, his successors and assigns, shall satisfy on behalf of the Payers any decree, judgment, or award in which there is such finding or adjudication involving the Payers to the extent of the liability of the Payers for contribution. Further, the claimant, his successors and assigns, will hold forever harmless the Payers against any loss or damage of any kind, except attorneys fees and costs of defense, because of any and all further claims, suits, demands or actions for contribution made by others on account of or in any manner related to, resulting from, or having any relationship to the injuries, losses, or damages of the claimant as a result of the September 16, 1985 accident. In order to effectuate the foregoing, claimant will request the court in any such case(s) to mold any verdict in any manner necessary to protect Payers from any and all contribution claims that could be asserted against it by others. It is the intent and agreement of the parties that the

consideration paid for herein is the only sum Payers will have to pay, directly or indirectly, as a result of contribution claims as a result of any damages suffered by claimant.

I admit that no representation of fact or opinion has been made by the said Payers, or anyone on their behalf, to induce this compromise with respect to the extent, nature, or permanency of said injuries or as to the likelihood of future complications or recovery therefrom and that the sum paid is solely by way of compromise of a disputed claim and that in determining said sum, there has been taken into consideration the fact that serious or unexpected consequence might result from the present injuries, known or unknown, from said accident and it is, therefore, specifically agreed that this Release shall be a complete bar to all claims or suits for injuries or damages of whatsoever nature resulting or to result from said accident, excepting only the aforementioned claims against METROPOLITAN EDISON.

We recognize that workmen's compensation liens have been asserted for medical, wage, and specific loss benefits paid as a result of this incident. We agree to satisfy any outstanding liens and provide proof of satisfaction. We agree to indemnify and hold harmless the Payers from any workmen's compensation relating to this incident.

In addition to the EIGHT HUNDRED THOUSAND DOLLARS (\$800,000.00) cash payment set forth above, the insurance company hereby agrees to make the following payments to MICHAEL S. SENSENICH:

1. Monthly Payments. The sum of EIGHT HUNDRED DOLLARS (\$800.00) per month to be paid on the first day of each and every month commencing July 1, 1997, and

shall continue for the longer of the following two periods:

- a. Until the death of MICHAEL S. SENENICH; or
- b. For thirty (30) years. If MICHAEL S. SENENICH dies before thirty (30) years of payments have been made, the payments set forth above shall be made as due to the Estate of Michael S. Senenich.

In addition to the periodic payments, lump sum payments shall be made as follows:

April 5, 2002	\$86,500.00
April 5, 2007	\$86,500.00
April 5, 2012	\$86,500.00

I acknowledge that my rights against Cincinnati Insurance Company are no greater than those of a general creditor and that I shall have no rights to any assets of the insurance company. I have no right to receive the present value of the payments due to me or to control the investment of, or accelerate, defer, increase, or decrease the amount of any payment required to be made to me. I am only entitled to receive the payment specified above as it is due. Furthermore, I have no rights against released Defendants whatsoever or under any circumstances to receive from them any of the periodic payments set forth above.

The periodic payments and lump sum payments will be forwarded to MICHAEL S. SENENICH at 356 Keneagy Hill Road, Ronks, PA, 17572. I am responsible for maintaining the currency of my proper mailing address and mortality information. In the event a new address is designated, the most recent address will be used to issue the check.

All monies set forth above constitute damages on account of personal injuries arising from an accident or occurrence within the meaning of Section 104(a)(2) of the Internal Revenue Code of 1954, as amended.

I, MICHAEL S. SENSENICH, will at all times remain a general creditor of the insurance company and shall have no rights in the annuity contract or in any other assets of the insurance company. The insurance company shall not be required to set aside sufficient assets or secure its obligation to me in any manner whatsoever. However, the insurance company will purchase an annuity in accordance with the terms of this Agreement. I acknowledge that I have no right to receive the present value of the payments due for this benefit or to control the investment of, or accelerate, defer, increase, or decrease the amount of any payment required to be made by this Agreement. I am only entitled to receive the payments specified above as they are due.

Cincinnati Insurance Company shall, at all times, remain directly responsible for the continuing obligation of making the payments set forth above. The insurance company's duty to make such payments shall at all times be an undesignated and unsecured obligation to pay money to me in the future and I can rely solely on the general credit of the insurance company for the collection of the payments set forth above.

As a means of providing a source of funds for the insurance company to satisfy its obligation to me, the insurance company shall purchase, for its own investment purposes, an annuity contract from Cincinnati Life Insurance Company ("the annuity contract") immediately

upon the execution of this Settlement Agreement. The insurance company shall be the owner of the annuity contract and shall have and retain all rights of ownership in the annuity contract, including, without limitation, the right to change the Payee named under the annuity contract. For its own convenience, the insurance company may instruct Cincinnati Life Insurance Company to make the payments to the Payee designated above.

The payment to be received by me as set forth above is not subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, or encumbrance by me.

It is further understood and agreed and made a part of this agreement that neither the undersigned nor his, her, or their attorney nor other representatives will in any way publicize to other persons, by way of any oral or written or other mode of communication, or in any news or communications media, including but not limited to newspapers, magazines, radio or television, or on-line computer system, the facts or terms and conditions of this settlement. All parties to this Release, and their agents, representatives, including legal counsel, expressly agree to decline comment on any aspect of this settlement to any member of the news media or other information gathering source.

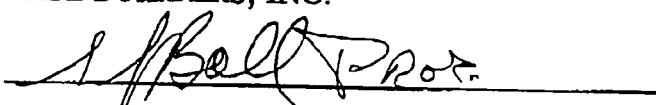
This Release and Settlement Agreement contains the entire agreement among the parties regarding the matters set forth in it and shall be binding upon and inure to the benefit of the parties hereto, jointly and severally, and the executors, administrators, and personal representatives, heirs, successors, and assigns of each.

In entering into this Release and Settlement Agreement, I, MICHAEL S. SENENICH, represent that I have completely read all the terms hereof and that such terms are fully understood and voluntarily accepted by me and that I have been adequately represented by counsel of my choice.

IN WITNESS WHEREOF, we have set our hands and seals this 17 day of June, 1997.


MICHAEL S. SENENICH

BALL BUILDERS, INC.

By: 

S. J. BALL CONSTRUCTION

By: 

CINCINNATI INSURANCE COMPANY

By: 

POLICY SPECIFICATIONS

BENEFIT	AMOUNT OF BENEFIT AS SPECIFIED BELOW	DURATION OF PREMIUM PAYMENTS
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SINGLE PREMIUM
IMMEDIATE
ANNUITY

THE GUARANTEED PAYMENTS TO MICHAEL S. SENENICH
WILL BE MADE PER THE FOLLOWING SCHEDULE:

1 YEAR

\$800.00 MONTHLY BEGINNING 07 / 01 / 1997 FOR 30 YEARS CERTAIN
AND LIFE.

ONE LUMP SUM PAYMENT OF \$ 86,500.00 ON 04 / 05 / 2002

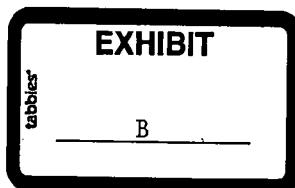
ONE LUMP SUM PAYMENT OF \$ 86,500.00 ON 04 / 05 / 2007

ONE LUMP SUM PAYMENT OF \$ 86,500.00 ON 04 / 05 / 2012

NUMBER	K2526639	AGE	32	DATE OF ISSUE	06 / 11 / 1997
ANNUITANT	MICHAEL S. SENENICH	SEX	MALE	POLICY DATE	07 / 01 / 1997
				INITIAL PAYMENT	07 / 01 / 1997

TOTAL PREMIUM - VALUABLE CONSIDERATION

BENEFICIARY - AS STATED IN ATTACHED APPLICATION



1. Proposed Insured:	(first) <u>MICHAEL</u>	(middle) <u>S</u>	(last) <u>SENSENICH</u>
2. Birth Date: (Mo. Day Yr.)	Age:	Birthplace: (State)	Sex:
4/5/1965	32		M
3. Social Security No.	Marital Status	Telephone Number	
180-42-1266	<input type="checkbox"/> M <input type="checkbox"/> W <input type="checkbox"/> S <input type="checkbox"/> D	Home ()	Work ()
4. Current Address:			
Street <u>356 KENEAGY HILL RD</u>	County <u>MONKSVILLE</u>		
City <u>MONKS</u>	State <u>PA</u>	Zip <u>17572</u>	
5. Occupation:			
Duties:			
6. Employer:	How Long:		
Address:			
7. Is any Proposed Insured a member, or does he or she intend to become a member, of the armed forces including reserves? <input type="checkbox"/> Yes <input type="checkbox"/> No			
If "Yes," give details in Question #15.			
8. Life, Disability Income, and Business Overhead Insurance in force: (if none, so state).			
a. Company (Life)	Amount	ADB	To Be Replaced
		<input type="checkbox"/> Yes <input type="checkbox"/> No	
		<input type="checkbox"/> Yes <input type="checkbox"/> No	
		<input type="checkbox"/> Yes <input type="checkbox"/> No	
b. Company (DI/BOE)	Mo. Ben.	Ben. Period	To Be Replaced
			<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No
(If to be replaced, indicate policy number and date in No. 15.)			
9. Insurance:			
<input type="checkbox"/> New <input type="checkbox"/> Change Policy #	to		
a. Plan	Amount \$		
Other Insured Rider	Amount \$		
Term Rider	Amount \$		
No. Years	UL Option A <input type="checkbox"/> B <input type="checkbox"/>		
b. Additional Benefits			
<input type="checkbox"/> Family Term	No. of Units		
<input type="checkbox"/> Children's Term	No. of Units		
<input type="checkbox"/> Waiver of Premium/COI	<input type="checkbox"/> Other		
<input type="checkbox"/> GPO Amt. \$	<input type="checkbox"/> ADB Amount \$		
(max. \$25,000) (max. \$200,000)			
c. <input type="checkbox"/> Automatic Premium Loan (if available)			
10. Annuity: (No medical questions required)	<u>VALUABLE</u>		
Plan <u>STRUCTURED SETTLEMENT</u>	Amount \$	<u>CONSIDERATION</u>	
<input type="checkbox"/> Tax Qualified (Type? _____)	<input type="checkbox"/> Non-Qualified		
11. Disability Income Insurance:			
a. Plan	Monthly Amount \$		
Ben. Period	Elim. Period		
b. Average monthly earned income \$			
c. Are you contributing to <input type="checkbox"/> Social Security; <input type="checkbox"/> Railroad Retirement; or <input type="checkbox"/> Civil Service? (Check which, if any.)			
If so, for how many years out of the last 10 years? _____	Years _____		
d. If under age 31 and contributing to Social Security, for how many years since age 21 have you contributed? _____	Years _____		
12. Business Overhead Expense:			
Plan	Amount \$		
Benefit Period	Class		

*Also, will need to complete Supplemental Application.

13. a. Do you now or have you within the past 12 months smoked cigarettes? <input type="checkbox"/> Yes <input type="checkbox"/> No
b. If "No," but previously smoked, when did you quit? _____
c. Do you use tobacco in any form? <input type="checkbox"/> Yes <input type="checkbox"/> No
d. List form(s) used: _____
14. Has any Proposed Insured: <input type="checkbox"/> Yes <input type="checkbox"/> No
a. Ever had an application for insurance or reinstatement declined, postponed, modified, canceled, or rated in any way? <input type="checkbox"/> Yes <input type="checkbox"/> No
b. An application for other Life, Accident and Sickness, or Disability Income insurance now pending or contemplated? <input type="checkbox"/> Yes <input type="checkbox"/> No
c. Any intention of occupation change or travel or residence outside the United States or Canada? <input type="checkbox"/> Yes <input type="checkbox"/> No
d. Ever had a driver's license revoked or suspended or been arrested for other than a misdemeanor? <input type="checkbox"/> Yes <input type="checkbox"/> No
e. Engaged in any type of flying, underwater or sky diving, or organized racing within the past three years? Is any contemplated? <input type="checkbox"/> Yes <input type="checkbox"/> No (If "Yes," complete the appropriate aviation or special underwriting questionnaire.)
f. Any intention of replacing, changing, or borrowing against any insurance or annuity policy in this or any other company as a result of this Application? <input type="checkbox"/> Yes <input type="checkbox"/> No (If "Yes," complete disclosure statements.)
15. Additional Information and Details to "Yes" answers. (Questions 7, 8, 13, and 14)
16. Beneficiary: (name) <u>ESTATE OF MICHAEL S. SENSENICH</u> (relationship) <u>Primary</u> (age) <u>Contingent</u>
Other Insured (Universal Life) Primary _____ Other Insured (Universal Life) Contingent _____
17. Owner: <input type="checkbox"/> Proposed Insured Other <u>CINCINNATI INS. COMPANY</u> Address <u>6200 S. GILMORE</u> <u>FARFIELD OH 45014</u> Relationship _____ Social Security No. _____
18. Premium Payment Basis: <input type="checkbox"/> Annually <input type="checkbox"/> Semi-Annually <input type="checkbox"/> Quarterly <input type="checkbox"/> Bank-O-Matic <input type="checkbox"/> Payroll Deduction <input type="checkbox"/> List Bill
19. Annual Prem. Paid To Quoted Agent
\$ _____ Life \$ _____
\$ _____ Annuity \$ _____
\$ _____ Dis. Inc. \$ _____
\$ _____ BOE \$ _____
UL or Annuity Additional Deposit \$ _____
20. Home Office Endorsement
21. Special Issue, Dating, or Other Requests: <u>SEE POLICY PAGES FOR BENEFITS</u>

vers and statements given are true and complete. They agree that: 1. All parts of this Application are true and correct; 2. Insurance shall become effective: a. if a policy is formally approved by us; and b. the full first premium has been paid while insurability of the Proposed Insured is the same as stated in this Application; OR according to the terms of the Conditional Receipt (a) if it is given and (b) the first full premium is paid when this application is signed; 3. No provision of this Application or the policy can be modified or waived except by an amendment signed by one of our officers. The applicant has read, or had read to him, the completed Application. The applicant certifies that any false statement or misrepresentation may result in loss of coverage under the policy.

Conditional Receipt is given: I (We) (a) acknowledge receipt; (b) certify that I (we) have read and understand it; (c) agree to its terms, conditions, and limits; and (d) acknowledge that the agent has explained it to me (us).

Authorization: I (We) authorize any licensed physician, medical practitioner, hospital, clinic, or other medical or medically related facility, insurance company, the Medical Information Bureau, or other organization, institution, or person having any records or knowledge of me or my health, to give to The Cincinnati Life Insurance Company or its insurer(s) any such information. A photographic copy of this authorization shall be as valid as the original. This authorization will be valid from the date signed for a period of two and one-half years.

e) acknowledge receipt of Notice to Proposed Insured.

person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

Agent: Do the policy(ies) applied for replace Yes. No
change any other insurance or annuities
ently in force covering any Proposed Insured?

Identify that I have truly and accurately recorded on this application the information supplied by the Proposed Insured or Applicant.

at Witness _____
nt Name _____
Code Number _____ **DAVID DURBRINK**
Please Print
ancy Name _____
Code Number _____ **HOME OFFICE**
Please Print

Dated at FAIRFIELD OH 6/10, 1997
(City) (State) (Date)

Signature of:

Proposed Insured _____
(If below age 15 [16 in Indiana], signature of parent or guardian required.) (Signature of dependent child if over 18 in Pennsylvania.)

Spouse/Other Insured Named
above (if any) _____

Applicant/Owner _____
(If not signing above) **James D. Quillen Agent, Inc.**
If a firm or corp., print company name and have company officer sign.
OFFICER OF CINCINNATI INS. CO.

THE CINCINNATI LIFE INSURANCE COMPANY

P.O. BOX 145496, CINCINNATI, OHIO 45250-5496

ITIONAL RECEIPT—TEMPORARY INSURANCE (LIFE, DISABILITY INCOME, AND BUSINESS OVERHEAD INSURANCE ONLY) OR PREMIUM RECEIPT (ANNUITY ONLY)

ALL PREMIUM CHECKS MUST BE MADE PAYABLE TO THE COMPANY
DO NOT MAKE CHECK PAYABLE TO THE AGENT OR LEAVE THE PAYEE BLANK

day of _____, 19_____, we have received \$_____ as a premium deposit for:

<input type="checkbox"/> Life Insurance	<input type="checkbox"/> Disability Income Insurance
<input type="checkbox"/> Annuity	<input type="checkbox"/> Business Overhead Expense

ITION 1: If the Proposed Insured dies or becomes totally disabled before we issue and deliver the policy, this Receipt may create temporary life and/or disability income insurance coverage. Such coverage will not exist unless each of the following conditions is fulfilled exactly:

The deposit must be a full first premium at the mode and plan applied for. The deposit must be paid at the time the Application Part 1 is signed. This Receipt must be issued at the same time.

We must receive the total premium deposit at our Home Office.

Our check must be paid the first time it is presented.

We must receive the Application Part 2 and all medical examinations or tests we request or which our underwriting rules require.

We must receive these papers not later than 60 days from the date of this Receipt.

Our underwriters must formally determine that on the latest of: (a) the date of the Application Part 1; or (b) the date of the latest Application Part 2; or (c) the date of the latest medical examination or test that we require, each Proposed Insured person was acceptable to us under our rules, limits, and standards. Each person must qualify for the exact plan and amount of insurance applied for and for all supplemental riders applied for. Each person must be insurable at standard premium rates.

Temporary insurance will be effective if any incorrect, untrue, or incomplete statement of material fact is made on: (a) the Application Parts 1 or 2; or (b) any report of any examination or medical test submitted to us. Knowledge of true facts by the agent or medical examiner shall not be imputed to us unless stated in Part 1, Part 2, or in a medical report received in our Home Office.

(OVER)

STRUCTURED SETTLEMENT PAYMENT RIGHT PURCHASE AND ASSIGNMENT AGREEMENT

This Structured Settlement Payment Right Purchase and Assignment Agreement (the "Agreement") is being entered into by and between Structured Asset Funding, LLC, 1250 East Hallandale Beach Blvd., Suite 406, Hallandale, FL 33009 ("Purchaser") and Michael S. Senenich ("Seller"), RR 1, Box 683, Osceola Mills, Pennsylvania 16666. This Agreement is dated and effective as of Purchaser's execution of the Agreement (or the date that is otherwise required by applicable law).

RECITALS

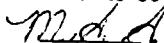
A. Seller, or Seller's predecessor in interest, has previously entered into a settlement, release, indemnity, compromise, and/or other agreement or document, and/or was subject to a court order, judgment, or decree, in connection with the settlement of a lawsuit and/or personal injury or wrongful death claim. The decree, order, judgment, release, settlement, indemnity, compromise and/or other agreement is set forth and described in more detail in Exhibit "A" attached hereto and, together with any amendments, modifications, and revisions to same, shall hereafter be referred to in this Agreement as the "Settlement Agreement." Pursuant to the Settlement Agreement, Seller is entitled to receive certain periodic settlement payments in the dollar amounts and on the dates set forth and described in the Settlement Agreement. (The payments which are due and payable to Seller pursuant to the Settlement Agreement shall hereafter be referred to as the "Settlement Payments").

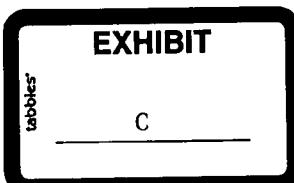
B. The Cincinnati Insurance Company (the "Settlement Obligor" or "TCIC", sometimes referred to as the "Annuity Owner") agreed to make the Settlement Payments to Seller under the terms of the Settlement Agreement and/or assumed the obligation to make the Settlement Payments due Seller under the Settlement Agreement pursuant to a qualified assignment and/or other assignment, assumption or similar agreement (the qualified assignment, assumption agreement, or similar agreement or document is set forth and described in Exhibit "A" and shall hereafter be referred to as the "Qualified Assignment"). In order to fund its obligation to make the Settlement Payments, the Settlement Obligor purchased and/or caused to be issued an annuity (the "Annuity") by The Cincinnati Life Insurance Company (the "Annuity Issuer" or "Cincinnati Life"). (The Annuity is set forth and described in Exhibit A.) The Annuity Issuer is obligated to make certain payments under the terms of the Annuity (the "Annuity Payments"), in the amounts and on dates which correspond to the Settlement Payments. Seller is the "Annuitant" or "Payee" named in the Annuity and/or is the beneficiary of the original named Annuitant/Payee named in the Annuity or is otherwise entitled to receive the payments to be made under the terms of the Settlement Agreement, Qualified Assignment, and/or Annuity. Copies of the Settlement Agreement, Qualified Assignment, and the Annuity (if available) and/or a payment letter from the Annuity Issuer or Annuity Owner have been provided to the Purchaser. The Settlement Agreement, the Qualified Assignment, the Annuity, and any agreements, releases, letters, assignments, judgments, orders, decrees and other documents which reflect or evidence the Settlement Payments and the payment obligations of the Settlement Obligor, Annuity Owner, and Annuity Issuer shall hereafter be collectively referred to as the "Settlement Documents."

C. Purchaser desires to purchase and acquire from the Seller, and the Seller desires to sell, assign, transfer, and convey to Purchaser, certain of the Settlement Payments and, to the extent that Seller has any right, interest, or claim in or to the payments due and payable under the Annuity, in and to the Annuity Payments, in the amounts and on the dates due and payable to Seller, as set forth and described in Exhibit A. (The payments which are the subject of this Agreement and which are to be sold, assigned, and transferred to Purchaser by Seller shall hereafter be referred to as the "Periodic Payments".)

D. As used herein, "Term" means the period beginning with the earlier of the Closing Date (as hereinafter defined) or the date of the first Periodic Payment and ending with the last Periodic Payment which is the subject of this Agreement. The "Transaction" shall refer to the assignment of the Periodic Payments by Seller to Purchaser, as set forth and described in this Agreement. The "Transaction Documents" shall refer to this Agreement and any and all other agreements, applications, letters, contracts, pleadings, affidavits, and other documents executed, signed, and/or submitted by the Seller in connection with the Transaction. "Court Order" shall refer to the order or judgment rendered or to be

PURCHASE AND ASSIGNMENT AGREEMENT -- Page 1 of 15


Seller's Initials



rendered in connection with the court approval of the Transaction in accordance with an applicable state statute as provided in Section 5.5.

NOW, THEREFORE, in consideration of the mutual covenants, representations, warranties and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms, conditions, provisions, and contingencies set forth herein and in the other Transaction Documents, the parties agree, covenant, and promise as follows:

AGREEMENT

ARTICLE 1 PURCHASE AND SALE OF PERIODIC PAYMENTS

1.1 Purchase and Sale. Subject to the terms, conditions, provisions, contingencies, and limitations of this Agreement, Seller hereby sells, assigns, transfers, and conveys to the Purchaser, and Purchaser purchases and acquires from Seller, the Periodic Payments. Seller makes such sale and assignment of the Periodic Payments to Purchaser free and clear of any and all right, title, interest or claim in or to the Periodic Payments or any lien, pledge, mortgage, security interest, charge, adverse claim, right or equity of redemption, or other encumbrance of or in the Periodic Payments of any nature or description whatsoever (collectively the "Encumbrances").

1.2 Purchase Price. In return for the sale and assignment to Purchaser of Seller's right, title, and interest in the Periodic Payments, and the other promises, covenants, and undertakings of Seller contained herein, including the right of first refusal granted to Purchaser pursuant to Section 8.18 below, Purchaser agrees to pay to Seller the amount set forth and described in Exhibit A as the "Purchase Price." Purchaser will pay the Purchase Price to Seller on the Closing Date (as defined in Section 2.3 hereof). The Seller acknowledges and agrees that the Purchase Price shall be adjusted, if necessary, by subtracting an amount equal to the sum of (i) all Periodic Payments received by Seller from and after the date hereof through and including the Closing; and (ii) any payments and advances made prior to Closing to or on behalf of Seller, including, but not limited to, any monies and amounts paid on Seller's behalf to Seller's independent advisors or creditors or to any other person or entity at Seller's request and on Seller's behalf. Purchaser shall not be obligated to make any payments or advances to Seller or on Seller's behalf prior to Closing and any payments and advances made by Purchaser pursuant to this Section 1.2 shall be made, if at all, in Purchaser's sole and absolute discretion.

1.3 Manner of Payment; Risks; Determination of Purchase Price. The Seller may elect to have the Purchase Price paid by wire transfer to such account or accounts of the Seller that has been designated by Seller in writing prior to the Closing, or by a check drawn on any deposit account maintained by the Purchaser. The Purchase Price was determined by arm's length negotiation between the Purchaser and Seller and represents the agreement reached between said parties in light of, amongst other things, prevailing economic conditions and factors and the risks and expenses assumed and incurred by Purchaser relative to the Transaction.

ARTICLE 2

CLOSING

2.1 Closing Defined. The closing of the Transaction contemplated by this Agreement (the "Closing") shall occur on a date designated by the Purchaser, which date shall be as soon as reasonably practicable after entry of the Court Order and after the Purchaser, in its sole and absolute discretion, has determined that all of the conditions and contingencies required by this Agreement and the other Transaction Documents have been satisfied, have occurred, and/or have been performed and complied with, as the case may be, and that no event or condition has occurred or exists that would require this Agreement to be terminated. Seller agrees to use Seller's best efforts to take such actions, or refrain from taking such actions, as requested by Purchaser, which are reasonably necessary to secure the Court Order and close the Transaction in accordance with this Agreement.

2.2 Timing of Closing. The Seller and the Purchaser hereby acknowledge that each of them will be simultaneously taking various actions necessary to satisfy, perform, and fulfill the conditions and contingencies required for closing the Transaction and that some conditions and contingencies are subject to various actions that must be completed by persons or entities that are not parties to this Agreement (i.e. entry of the Court Order). Therefore, it is not possible to predict the precise date on which the Closing will occur and Purchaser makes no representations regarding same.

2.3 Closing Date. The day on which funds representing the Purchase Price (adjusted, if necessary, as provided in Section 1.2) are paid and delivered to the Seller shall be the "Closing Date." All events that are to occur on the Closing Date shall, for all purposes, be deemed to occur simultaneously, except to the extent that a specific order of occurrence is otherwise prescribed herein.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES OF SELLER

In order to induce Purchaser to enter into this Agreement, pay the Purchase Price and purchase the Periodic Payments, the Seller represents and warrants to the Purchaser as follows:

3.1 Authority and Enforceability. The Seller has all requisite power and authority and has taken all action necessary to execute and enter into this Agreement and each of the Transaction Documents, to conclude the Transaction contemplated in this Agreement, and to perform the Seller's obligations under this Agreement. This Agreement has been, and each of the Transaction Documents have been or will be by Closing, duly executed and delivered by the Seller. This Agreement is, and each of the Transaction Documents will be at Closing, a legal, valid and binding obligation of the Seller enforceable against the Seller in accordance with their terms.

3.2 No Breach or Default; No Violation of Law; No Consents. The execution and delivery by the Seller of this Agreement and the Transaction Documents and the conclusion of the Transaction contemplated by this Agreement and the Transaction Documents does not and will not: (i) constitute a breach of, or result in a default under, or give rise to any right of termination, cancellation or acceleration of any obligation or the loss of any material benefit under, the Settlement Documents; or (ii) breach or violate any existing contract or agreement of the Seller or any obligation of the Seller under any court or administrative orders, writs, judgments or decrees; or (iii) violate any statute or regulation; or (iv) except for the court approval referenced in Section 5.5, require the consent, authorization, or approval of any other person, entity, court, regulatory agency, administrative body, or any federal, state, local or other governmental agency or authority.

3.3 The Settlement Documents. Copies of the Settlement Documents have been, or will be prior to Closing, provided and delivered to Purchaser. The copies of the Settlement Documents provided to Purchaser are true and correct and include all amendments, supplements, addendums, or modifications thereof and have not been changed or altered in any way by the Seller. The Settlement Documents are legal, valid and binding obligations of the parties to said agreements and documents and are enforceable against each such party in accordance with their terms. None of the Settlement Documents are in default nor have any of them been breached or violated by the parties obligated under same.

3.4 Title to the Periodic Payments. The Seller owns outright, and has good, marketable and defensible title to, the Periodic Payments, free and clear of any Encumbrances. Except as specifically and expressly disclosed to Purchaser in writing prior to entering into this Agreement, Seller has not previously sold, transferred, assigned, pledged, encumbered, mortgaged, alienated or granted a security interest in any of the Periodic Payments or any of the Settlement Payments. Except as specifically and expressly disclosed to Purchaser in writing, none of the Periodic Payments or Settlement Payments have ever been attached, levied, foreclosed upon, seized, restricted, assigned, transferred, pledged, encumbered, or subjected to garnishment or any other legal process or proceeding. Closing of the Transaction will vest in Purchaser good, marketable and defensible title to the Periodic Payments, free and clear of any and all Encumbrances. Closing of the Transaction shall divest Seller of all right, title, interest, claim, and demand, either at law or in equity, in and to the Periodic Payments.

3.5 Capacity; Marital Status; Proof of Identification. Seller has furnished to Purchaser true, correct and complete documents concerning any prior divorce, annulment, marital separation, property settlement agreement, marriage, premarital agreement, custody, guardianship, trusteeship, bankruptcy, assignment for benefit of creditors, or other legal proceeding affecting Seller's capacity or title to the Periodic Payments. The true, current marital status of the Seller is set forth in the Application executed in connection with this Transaction and the full, true, and correct name and mailing address of Seller's spouse, if any, is also set forth in the Application. If Seller has been divorced, annulled or legally separated prior to the date of this Agreement, Seller has provided to the Purchaser a true, correct, complete and legible copy of the Seller's prior divorce or annulment decree(s) and related property settlement agreements. Seller shall provide true and accurate copies of Seller's driver's license and/or government issued ID card and Seller's social security identification card or other evidence of Seller's social security number acceptable to Purchaser in its sole and absolute discretion. Seller shall also provide to Purchaser, if requested by Purchaser, a copy of a check stub or bank record evidencing Seller's receipt or a direct deposit of a recent Periodic Payment or Settlement Payment, which shall match and/or correspond to the Settlement Documents.

3.6 No Judgments or Actions. There are no unsatisfied, outstanding judgments or liens against Seller and there is no action, suit, or proceeding pending or threatened against or affecting the Seller or the Seller's assets, including, without limitation, the Periodic Payments or the Settlement Payments, in or before or by any court, department, commission, board, bureau, agency, or other governmental authority. The Seller has received no notice (whether oral or written) that any such proceeding is pending or contemplated.

3.7 No Brokers. Except as specifically disclosed by the Seller in writing, no broker, agent or finder has acted for the Seller in connection with this Agreement or the transactions contemplated by this Agreement and no brokerage, sales, or other commission or finder's fee shall be earned, due or payable to any person by the Purchaser in connection with the Transaction on account of any act or omission of the Seller.

3.8 Consultation with Advisors; Seller's Creditors. Seller has been advised by the Purchaser, in writing, to consult with the Seller's financial, accounting, tax and legal advisors in connection with the Transaction and has either (i) consulted with such advisors or (ii) has had the opportunity to do so and knowingly and voluntarily chose not to seek such advice. The execution and delivery of this Agreement and the other Transaction Documents by the Seller and the consummation of the Transaction have not been concealed from, and will not hinder, delay, or defraud any creditor of the Seller. To the extent that Seller was required by applicable law to receive, or has received, independent professional advice regarding this Transaction, the person or person with whom Seller consulted is set forth in Exhibit A or in some other document delivered to Purchaser.

3.9 Full Disclosure; No Adverse Facts. The representations and warranties of the Seller in this Agreement and in the other Transaction Documents and the information furnished to the Purchaser and its representatives in connection with the Transaction do not and will not include any untrue or misleading statement of fact. Seller is not aware of any fact or matter which might (i) diminish the value of the Periodic Payments or the rights and benefits of the Purchaser to be acquired under this Agreement; or (ii) impair or delay the Purchaser's ability to receive and collect the Periodic Payments.

3.10 Application, Beneficiaries, and Dependents. Seller has completed, signed, and delivered to Purchaser an Application in connection with the Transaction. All of the information stated in the Application is true and correct as of the date of this Agreement and at Closing. Seller has also disclosed to Purchaser the true and correct identity and age of Seller's spouse and minor children and other dependents. Seller has also disclosed to Purchaser the true and correct identity of any beneficiary or other person properly and legally designated by Seller to receive the Settlement Payments and/or Annuity Payments following the death of Seller.

3.11 Prior or Pending Insolvency or Bankruptcy Proceedings, or Other Legal Proceedings. Except as set forth on the Application, Seller has not been a party to any bankruptcy, reorganization, receivership, insolvency, or similar proceeding. If Seller has been a party to any such proceeding, Seller has provided to Purchaser a true and correct copy of the Seller's discharge from such proceedings and/or an appropriate court order approving the Transaction contemplated by this Agreement.

3.12 Other Obligations. Seller is not in default on any obligation for child support or alimony or for the payment of state, federal, or local taxes, including federal income taxes.

3.13 Other Attempts to Assign; Cessation of Other Negotiations; Exclusivity. Except as specifically and expressly disclosed to Purchaser in writing in connection with this Transaction, Seller has not, and has not attempted to, sell, assign, transfer, or convey any of the Settlement Payments to any other person or entity, nor has Seller attempted to pledge, encumber or mortgage the Settlement Payments with or to any other person or entity. To the extent that Seller has previously had discussions or negotiations with other persons or entities regarding the possible sale, assignment, transfer, mortgage, encumbrance, pledge or other conveyance of the Settlement Payments, Seller hereby represents and warrants that all such discussions or negotiations have ceased and any and all contracts, agreements, letters of intent and other documents relative said discussions and/or negotiations have been and, to the extent necessary, hereby are cancelled, terminated, and rescinded. Seller has no other obligations to any other person or entity relative to the Periodic Payments and, except as expressly disclosed to Purchaser in writing, has no other obligations to any other person or entity relative to any of the Settlement Payments. To the extent that Seller has any obligations to any other funder, person, or entity relative to the Periodic Payments, Seller hereby authorizes Purchaser to satisfy said obligations at Closing. Seller represents and warrants that, upon signing this Agreement, Seller has ceased any and all discussions and negotiations with any other person or entity relative to the Periodic Payments and shall deal exclusively with Purchaser regarding said payments.

3.14 Disclosure Statement. Seller acknowledges that Purchase has previously provided to Seller a Disclosure statement prepared and delivered in accordance with applicable law which sets forth certain of the main terms of the Transaction. Seller has read and understands said Disclosure Statement and has had the opportunity to review and discuss the Disclosure Statement and this Transaction with an attorney, CPA, accountant, or other professional or advisor of Seller's choice.

3.15 Place of Residence. Seller represents and warrants that Seller resides in the State and at the address designated on Exhibit A of this Agreement.

3.16 Compliance with State Statutes. Seller represents and warrants that Seller has or will comply with all applicable State and Federal statutes in connection with this Transaction.

ARTICLE 4

ADDITIONAL AGREEMENTS OF THE SELLER

4.1 Duty to Cooperate; Periodic Payments Held in Trust; Guaranty. The Seller shall cooperate with and shall take all reasonable action necessary to provide the Purchaser the practical benefits of the bargain obtained under this Agreement, specifically including, without limitation, the duty to deliver immediately to the Purchaser any checks, funds or other form of payment made under the Settlement Documents which may be hereafter received by the Seller or anyone (other than the Purchaser) claiming by or through the Seller, to the extent that such payment constitutes a Periodic Payment. Any such Periodic Payment that is at any time received by the Seller or any person claiming by, through, or under the Seller (directly or indirectly) shall be received and held by the Seller (or such other person) in trust for the benefit of the Purchaser. The Seller shall immediately deliver and pay such Periodic Payments to the Purchaser. After Closing of the Transaction, the Seller shall have no interest in any Periodic Payment other than that of a trustee for the benefit of the Purchaser. Seller hereby guarantees the prompt performance of all of the duties and obligations set forth herein and in all of the Transaction Documents.

4.2 Security Agreement. If requested by Purchaser, Seller shall, prior to the Closing, execute and deliver to Purchaser a Security Agreement (the "Security Agreement") along with the UCC-1 Forms confirming and setting forth Purchaser's security interest in the Periodic Payments.

4.3 Seller's Protection of Third Parties. The Seller releases and waives all claims and objections against each of the Annuity Issuer, the Owner, the Settlement Obligor and any other person, entity, or party obligated under the

Settlement Documents to make the Settlement Payments, the Annuity Payments, and the Periodic Payments (collectively the "Obligors") for (i) making the Periodic Payments to the Purchaser following entry of the Court Order contemplated in Section 5.5 and Closing of the Transaction; (ii) for allowing, permitting, facilitating and/or cooperating with the Purchaser and Seller in connection with the Transaction and this Agreement and entry of the Court Order; (iii) for not appearing or objecting in the proceeding in which the Court Order was entered; (iv) for failing or refusing to assert any claim that the Periodic Payments were not transferable or assignable; and (v) for honoring the Court Order. Seller agrees to indemnify, hold harmless and defend the Obligors in connection with the releases and waivers set forth in this section 4.3 and from and against any future claims to or against the Periodic Payments by any person other than the Purchaser or the Purchaser's lawful assigns.

4.4 Access to Information. The Seller agrees and hereby authorizes the Purchaser to obtain and perform credit checks and obtain credit reports on the Seller and secure and perform other information and investigations including, without limitation, lien searches, searches for abstracts of judgments or other claims against the Seller, criminal background checks, checks of court records, and contacting Seller's present and previous employers, landlords, creditors, and references. Seller hereby authorizes Purchaser to contact the Settlement Obligor, the Annuity Issuer, and/or the Annuity Owner and any other person or entity obligated to make the Settlement Payments and/or Annuity Payments to verify any and all information relative to the Settlement Payments and/or the Annuity Payments. Seller hereby authorizes, directs, instructs, and consents to the release by the Settlement Obligor, the Annuity Issuer, and/or the Annuity Owner and any other person or entity obligated to make the Settlement Payments and/or Annuity Payments of any and all information to Purchaser relative to the Settlement Documents and/or the Settlement Payments. The Purchaser shall be under no duty or obligation to perform any such check or investigation and the Seller shall place no reliance on the Purchaser's actions in doing so. Seller further authorizes and consents to Purchaser recording, verifying, and/or registering information regarding this transaction in the National Association of Settlement Purchasers Anti-Fraud database for any lawful purpose.

4.5 Disclosure of Misrepresentations and Breaches. The Seller shall immediately notify the Purchaser if any of the representations or warranties of the Seller in this Agreement or any of the Transaction Documents are determined by the Seller to have been incorrect, inaccurate, or misleading when they were made, or which are later determined by the Seller to be incorrect, inaccurate or misleading.

4.6 Further Assurances. At any time and from time to time, the Seller shall promptly execute, upon Purchaser's request, all other documents, and perform or refrain from performing such additional acts, as may be necessary or reasonably requested by the Purchaser to conclude the Transaction and to assure the Purchaser's receipt of all of the benefits of the Transaction, including the Periodic Payments.

4.7 This is Not a Loan. THE SALE OF THE PERIODIC PAYMENTS BY THE SELLER TO THE PURCHASER IS AND SHALL CONSTITUTE AN ABSOLUTE AND IRREVOCABLE ASSIGNMENT AND CONVEYANCE BY THE SELLER TO THE PURCHASER OF THE PERIODIC PAYMENTS, AND THE SELLER ACKNOWLEDGES AND AGREES THAT THIS TRANSACTION IS NOT INTENDED IN ANY RESPECT TO BE A LOAN FROM THE PURCHASER TO THE SELLER OR TO CREATE ANY TYPE OF LENDER/BORROWER RELATIONSHIP, PARTNERSHIP OR OTHER JOINT OWNERSHIP ARRANGEMENT BETWEEN THE SELLER AND THE PURCHASER. UPON THE CLOSING OF THIS TRANSACTION THE SELLER SHALL HAVE NO RIGHT OR ABILITY TO FINANCE OR REFINANCE THE PERIODIC PAYMENTS WITH PURCHASER OR ANY OTHER PERSON OR ENTITY.

4.8 Prior or Other Negotiations. To the extent that Seller has previously engaged in negotiations or discussions or has signed or executed a contract with other parties or entities regarding the sale, assignment, transfer, conveyance, mortgage, encumbrance, or pledge of the Periodic Payments, Seller has terminated all such negotiations or discussions and/or has canceled and rescinds all contracts, or agreements with such parties or entities. By signing this Agreement, Seller hereby authorizes Purchaser to rescind, terminate and cancel, on Seller's behalf, all discussions, negotiations, contracts, and agreements with such persons or entities. Seller agrees to work and deal exclusively with Purchaser to consummate the Transaction and to complete and effect the sale of the Periodic Payments and secure the Court Order. To the extent that Seller has any obligations to any third party, person or entity relative to the Periodic Payments, Seller hereby authorizes Purchaser to satisfy such obligations at Closing.

4.9 Beneficiaries. Seller acknowledges and agrees that Purchaser shall be entitled to receive the Periodic Payments to the exclusions of any beneficiary, heir, executor, representative, or dependent of Seller. To the extent deemed necessary by Purchaser and/or if requested by Purchaser, Seller shall execute and sign any document, agreement, waiver, beneficiary change, or other document to reflect, evidence, and confirm that Purchaser shall be entitled to receive the Periodic Payments to the exclusion of Seller and/or Seller's heirs, beneficiaries, representatives, dependents, and executors. Upon consummation of this Transaction, entry of the Court Order, and Closing, Seller and Purchaser agree, acknowledge and confirm that any beneficiary, heir, executor, representative and/or dependent of Seller shall be absolutely and forever divested of any right, title, claim or interest in the Periodic Payments.

ARTICLE 5

CONDITIONS TO CLOSING

The obligations of the Purchaser to effect the Transaction contemplated in this Agreement shall be subject to the performance and satisfaction, prior to the Closing Date, of each of the following conditions, unless waived in writing by the Purchaser:

5.1 Delivery of Documents. The Seller shall have delivered to the Purchaser duly executed originals (including all attachments and exhibits) of the following documents, each of which shall be in form, scope and substance satisfactory to the Purchaser in its sole and absolute discretion:

- (i) This Agreement, along with all required schedules, exhibits and addendums hereto;
- (ii) The Seller's Affidavit certifying certain information about the Seller, in form and substance acceptable to Purchaser, in its sole and absolute discretion;
- (iii) The original or true and accurate copies of the Settlement Documents;
- (iv) A signed Spousal Consent form; copies of prior divorce and/or annulment decrees, including property divisions and settlements; a current driver's license or government issued ID card; a social security card or other evidence of Seller's social security number, acceptable to Purchaser, in its sole and absolute discretion; if requested by Purchaser; copies of a recent check, payment stub or bank account records and statements showing a deposit to Seller's account a recent Settlement Payment
- (v) A Security Agreement and related UCC-1 forms, if requested by Purchaser;
- (vi) A completed and signed Application;
- (vii) Executed Irrevocable Special Power of Attorney in favor of the Purchaser, its successors, assigns or designees, and granting, among other powers, the power to endorse and negotiate all checks and other instruments distributed by the Annuity Issuer, or other person, in payment of the Periodic Payments, as provided herein;
- (viii) Executed copies of all other agreements, documents, instruments, certificates, opinions of counsel, reports or other writings of any nature whatsoever required by this Agreement or deemed necessary, advisable or desirable by Purchaser to consummate the Transaction.

5.2 Representations And Warranties. All of the Seller's representations and warranties in this Agreement shall be true and correct on and as of the Closing Date with the same effect as though such representations and warranties were made on and as of the Closing Date. All of the Seller's representations and warranties set forth in this Agreement shall survive the Closing and shall remain effective during the Term of this Agreement.

5.3 Performance Of Obligations. The Seller shall have performed, observed, satisfied, and complied with all covenants under this Agreement and the Transaction Documents on or before the Closing Date.

5.4 Absence of Liens. The Purchaser shall perform, at its own expense, such credit checks and lien searches on the Seller as the Purchaser deems necessary, and Purchaser may offset from any sums due to the Seller the amount of any lien, or other obligation of Seller that Purchaser determines may affect its rights to receive the Periodic Payments. If requested by Purchaser, Seller agrees to obtain confirmation from the IRS or other taxing authorities that there are no outstanding federal, state or local tax liabilities (whether income tax or otherwise) beyond the current tax year in which this Agreement shall be executed.

5.5 Court Approval of the Transaction. Seller understands and acknowledges that the Transaction contemplated by this Agreement must be approved by a court of competent jurisdiction in accordance with an applicable state transfer statute and must be structured, consummated, closed and approved in accordance with certain applicable Federal law. A further condition and contingency to the Closing of the Transaction is that the Purchaser and/or the Seller shall have procured and/or received a final court order, judgment, or decree (the Court Order, as previously defined) approving the sale, assignment, and transfer of the Periodic Payments to Purchaser. Seller shall cooperate with and assist Purchaser, in all respects, to secure said Court Order. If the Court Order is denied, Purchaser may, but shall have no obligation to, appeal such denial. If, however, Purchaser does pursue an appeal of such denial, Seller shall fully cooperate and assist Purchaser in connection with said appeal.

5.6 Other Requirements. Such other requirements as Purchaser may in writing inform Seller, in Purchaser's sole discretion, are required to be satisfied.

ARTICLE 6

WAIVER OF RESTRICTIONS; INDEPENDENT ADVICE; EXEMPTIONS; INDEMNITIES

6.1 Restrictions on Assignability. Seller acknowledges that, to the extent that the Settlement Documents purport to contain any restriction on the ability, right, or power of the Seller to assign, sell, transfer, mortgage, encumber, alienate, or convey the Periodic Payments, that such restrictions were included in the Settlement Documents for Seller's benefit and not for the benefit or protection of any other person. Seller, on behalf of himself and his heirs, beneficiaries, executors, administrators, successors, and legal representatives, hereby WAIVES AND RELEASES all rights and benefits of the Seller in, to, or under, any and all restrictions on assignability contained in the Settlement Documents. To the extent that any such restrictions were included to insure favorable tax treatment or benefits for the Seller or for any other purpose, Seller acknowledges that Seller is not relying upon any representation or warranty of the Purchaser with respect to the tax consequences of the Transaction or the waiver contained herein.

6.2 Independent Advice. Seller acknowledges and agrees that (i) Seller has had the opportunity to receive legal, tax, financial, accounting and/or business or personal advice regarding the Transaction from Seller's own legal, tax, financial, accounting and/or other advisors and has either received such advice or has knowingly and voluntarily waived and declined the opportunity to seek such advice; (ii) Seller has not received any financial, accounting, tax, legal, business, or other advice from the Purchaser; and (iv) Seller has relied solely upon the advice of Seller's own financial, accounting, tax, legal, business and other advisors in entering into this Agreement and consummating the Transactions. SELLER FURTHER ACKNOWLEDGES THAT SELLER IS FULLY AWARE OF THE ECONOMIC CONSEQUENCES OF THE TRANSACTION CONTEMPLATED BY THIS AGREEMENT. THIS IS AN IMPORTANT FINANCIAL TRANSACTION AND SELLER SHOULD CONSULT WITH HIS/HER OWN ADVISORS REGARDING SAID TRANSACTION.

6.3 Waiver of Exemptions. Seller has signed this Agreement and is entering into this Transaction of his own free will and volition and hereby expressly and voluntarily WAIVES and RELEASES all rights and benefits of Seller in, to, or under all applicable laws and statutes and all provisions and principles of the common law, regulations, and any constitution which purport to exempt the Periodic Payments and/or any payments due or payable under the Settlement Documents from any claims or damages by, through or on behalf of Purchaser or its successors or assigns or which exempt

the Periodic Payments from execution, attachment, garnishment, seizure or other process by Purchaser, which may be necessary to enforce this Agreement or allow Purchaser to receive the practical benefits of the Transaction.

6.4 Indemnities. The Seller further agrees and covenants (both for Seller and on behalf of Seller's heirs, executors, administrators, representatives, successors, and assigns): (i) to release, indemnify and hold the Purchaser harmless from any claim that the Periodic Payment Rights were not assignable; (ii) to never claim, either in a suit or in the defense of an action by the Purchaser or any other person, that the Periodic Payment Rights were not assignable. The Seller indemnifies and agrees to hold the Purchaser harmless from any claims for brokerage, sales, or other commissions or finder's fees in respect of this transaction alleged to be due because of any act or omission of the Seller and from any loss, cost, liability, or expense (including attorneys' fees and expenses at all appellate levels) of defending any such claims; provided, however, that the foregoing indemnification shall not extend to any such item that was expressly approved for payment by the Purchaser in a writing signed by the Purchaser. The Purchaser agrees that upon its discovery of facts giving rise to a claim for indemnity under the provisions of this Agreement, including receipt by it of notice of any demand, assertion, claim, action or proceeding, judicial or otherwise, formal or informal, by any person with respect to any matter as to which any of the indemnified parties are entitled to indemnity under the provisions of this Agreement, the Purchaser will give prompt notice thereof in writing to the Seller; provided, however, that any delay in giving or failure to give such notice shall not limit the rights of the Purchaser or any indemnified party to indemnity hereunder except to the extent that the Seller is shown to have been damaged by such delay or failure.

6.5 Seller's Protection of Third Parties. Seller acknowledges that the Settlement Agreement, Annuity and/or other Settlement Documents may contain provisions that restrict or purport to restrict the assignment of the Periodic Payments. Seller hereby (i) releases the Annuity Owner, the Annuity Issuer, the Settlement Obligor and all other persons or entities obligated to make the Periodic Payments pursuant to the terms of the Settlement Agreement and/or Annuity from any claims, causes of action, or liability, for complying with Seller's instructions regarding the Periodic Payments; (ii) releases and waives all claims, causes of action, or liability against the Annuity Owner, the Annuity Issuer, and Settlement Obligor and all other persons or entities obligated to make the Periodic Payments for failing and refusing to oppose the Transaction based on the presence of anti-assignment or anti-encumbrance language in the underlying Settlement Documents or for any other reason; (iii) for making and sending the Periodic Payments to Purchaser in accordance with the terms of this Agreement and the Court Order; (iv) for allowing, permitting, facilitating, cooperating with, and/or not opposing the Transaction and entry of the Court Order; (v) for not appearing or objecting in the proceeding in which the Court Order was entered; (vi) for failing or refusing to assert that any claim, defense, or position that the Periodic Payments were not transferable or assignable; and (vii) for honoring and complying with the Court Order. Seller and Purchaser acknowledge and agree that the Annuity Owner, Annuity Issuer, and/or Settlement Obligor will discharge their obligation to make the Periodic Payments due under the Settlement Agreement and/or Annuity by delivering said Periodic Payments to Purchaser in accordance with this Agreement and the Court Order. Seller agrees to indemnify, hold harmless, and defend the Obligors in connection with the releases and waivers set forth in this section 6.5. Seller and Purchaser agree to indemnify, hold harmless, and defend Obligors from and against any future claims to or against the Periodic Payments by any person or entity other than the Purchaser and the Purchaser's successors and assigns. Seller agrees that this protection of third parties shall be binding upon Seller and Seller's heirs, executors, administrators, representatives, successors, estate, and any person or entity claiming by, through or under Seller (directly or indirectly), and shall survive the consummation of this Agreement.

ARTICLE 7

TERMINATION & RESCISSION

7.1 Termination. Unless otherwise agreed or extended in writing by the Purchaser and the Seller, this Agreement shall automatically terminate one hundred eighty (180) days from the date hereof if any condition to the Purchaser's obligations hereunder has not been satisfied prior to that date, unless the failure to satisfy such conditions is the result of a material breach of this Agreement by the Seller. Provided, however, that if the Purchaser has filed and is working to secure the Court Order, then this Agreement may not be terminated by Seller until and unless the Court Order proceeding is resolved and decided, one way or another, except with the written consent of Purchaser. Purchaser may

terminate this Agreement at anytime, even after the proceeding to secure the Court Order has been filed. In the event of termination of this Agreement as provided in this Article, this Agreement shall forthwith become void and of no further force or effect, and there shall be no liability or obligation on the part of any of the parties hereto or any of their respective officers, directors, employees, agents, attorneys, partners, trustees, affiliates, or associates, except that the obligations of the parties set forth in Articles 6, 7 and 8 shall survive the termination of this Agreement for a period of five (5) years from and after the date of termination hereof. To the extent that the termination of this Agreement results from the willful breach by the Seller of any of the Seller's representations, warranties, covenants or agreements set forth in this Agreement, nothing herein shall prejudice the ability of the Purchaser from seeking damages from the Seller for any breach of this Agreement, including, without limitation, attorneys' fees and the right to pursue any remedy at law or in equity. The rights and remedies provided to the Purchaser in this Article are cumulative of any other right or remedy the Purchaser may have under this Agreement or otherwise.

7.2 Rescission. Unless prohibited, expanded, or otherwise provided by applicable law, Seller shall have a three (3) day right of rescission after execution of this Agreement, during which Seller may rescind and cancel this Agreement without any further duty, liability, or obligation to Purchaser. If applicable law provides for a longer period during which the Seller may rescind this Agreement, then Seller shall have until the end of the time period provided by applicable law to rescind and cancel this Agreement without any further duty, liability, or obligation to Purchaser. Seller must exercise any right of rescission by notifying Purchaser, in writing, of Seller's intent to rescind and cancel this Agreement within the time period provided by this section 7.2 or applicable law, as the case may be. Notice of Seller's intent to rescind and/or cancel the contract shall be timely as long as it is delivered to Purchaser or post-marked by the deadline for exercising such right of rescission and cancellation.

ARTICLE 8

GENERAL PROVISIONS

8.1 Notices. Any notice or demand given under this Agreement shall be given by (i) hand delivering it, (ii) mailing it by certified or registered mail, postage prepaid, return receipt requested, or (iii) overnight courier service such as Federal Express, in each case addressed to the Purchaser or to the Seller, at the addresses set forth on page 1 of this Agreement or at such other place as either party may specify in writing to the other party. Each party may designate a change of address by notifying the other party of such change at least fifteen (15) days before such change of address is to become effective. A notice given under this Agreement shall be deemed received three (3) days after it is mailed or when it is delivered according to the requirements of this paragraph.

8.2 Governing Law. This Agreement, the Transaction Documents, and the rights, duties, and obligations of the parties under said documents and agreements, shall be governed, interpreted, construed, and enforced in accordance with the laws of Pennsylvania and the United States of America.

8.3 Entire Agreement. This Agreement, the exhibits, and the Transaction Documents set forth the entire agreement of the Seller and the Purchaser with respect to the Transaction and supersede all prior agreements, arrangements, and understandings relating to the Transaction, whether oral or written.

8.4 Amendment; Waiver. This Agreement and the Transaction Documents may be amended, modified, superseded or canceled, and any of the terms, provisions, representations, warranties, covenants or conditions hereof or thereof may be waived only by a written instrument signed by all of the parties hereto. In the case of a waiver of an obligation, term, or provision of this Agreement, any such waiver must be in writing and signed by the party waiving compliance. The failure of any party to require performance of any provision of this Agreement or any of the Transaction Documents shall in no way affect the right to enforce the same. No waiver by any party of any condition contained in this Agreement or any of the Transaction Documents, or of the breach of any term, provision, representation, warranty or covenant of same shall be deemed to be or construed as a further or continuing waiver of any such condition or breach, or as a waiver of any other condition or of the breach of any other term, provision, representation, warranty or covenant.

8.5 Severability. If any provision of this Agreement or any Transaction Document is held to be to any extent unenforceable or invalid then the parties hereto agree that such provision shall be deemed to be modified for purposes of performance of this Agreement or any Transaction Document to the extent necessary to render it lawful and enforceable, or if such a modification is not possible without materially altering the intention of the parties hereto, then such provision shall be severed from the agreement or document for purposes of the performance or enforcement of same. The validity of the remaining provisions of the Agreement and the Transaction Documents shall not be affected by any such modification or severance. Any such finding of unenforceability or invalidity of a provision or this Agreement in any given jurisdiction shall not prevent the enforcement of any such provision or any other provision of this Agreement in any other jurisdiction to the maximum extent permitted by law.

8.6 Availability of Equitable Remedies. Since a breach of the provisions of this Agreement by the Seller could not adequately be compensated by money damages, the Purchaser shall be entitled, either before or after the Closing, in addition to any other right or remedy available to the Purchaser, to an injunction restraining such breach or a threatened breach and to specific performance of any such provision of this Agreement, and in either case, no bond or other security shall be required in connection therewith, and the Seller hereby consents to the issuance of such injunction and to the ordering of specific performance.

8.8 Attorneys' Fees and Court Costs. In the event of any action at law or in equity between the parties hereto to enforce any of the provisions hereof, the unsuccessful party to such action or litigation shall pay to the successful party all costs and expenses, including, without limitation, actual attorneys' fees expended or incurred in connection therewith by such successful party; and if the successful party shall recover judgment in any such action or proceeding, such costs, expenses and attorneys' fees may be included in and as a part of such judgment.

8.9 Headings; Gender; Numbers; Interpretation. All of the headings contained in this Agreement are for purposes of convenience or reference only, and shall not be deemed to be a part of this Agreement or to affect the meaning, construction, interpretation or scope of this Agreement or any of the provisions hereof in any way. All references in this Agreement to the masculine, feminine, or neuter gender, shall, where appropriate, be deemed to include all other genders. All plurals used in this Agreement or any Transaction Document shall, where appropriate, be deemed to be singular, and vice versa, and shall refer solely to the parties hereto except where otherwise specifically provided. The normal rule of contractual construction that any ambiguities in a contract are to be resolved against the drafting party shall not be used in the interpretation of this Agreement, any of the Transaction Documents, or any amendments or exhibits to same and no presumptions regarding the interpretation of said documents and agreements shall be made as a result of the drafting of said agreement and documents.

8.10 Survival. All of the representations, warranties, covenants, agreements, indemnifications, obligations, duties, and liabilities of the Seller and the Purchaser set forth in this Agreement and the other Transaction Documents shall survive until the tenth (10th) anniversary of the Purchaser's actual receipt of good funds representing the last of the Periodic Payments, and shall not be deemed merged into the Transaction Documents.

8.11 Binding Effect. Subject to the restrictions on transfers and encumbrances set forth herein, all of the terms, provisions, covenants and conditions of this Agreement and the Transaction Documents shall inure to the benefit of and be binding upon and be enforceable by the undersigned parties and their respective heirs, executors, administrators, representatives, successors and permitted assigns. NOTWITHSTANDING ANY CONTRARY PROVISION OF THIS AGREEMENT OR ANY OTHER CLOSING DOCUMENT, IT IS EXPRESSLY INTENDED AND AGREED THAT THE SELLER'S SALE TO THE PURCHASER OF THE PERIODIC PAYMENT RIGHTS SHALL BE BINDING ON THE SELLER'S ESTATE AND THE SELLER'S HEIRS, EXECUTORS, BENEFICIARIES, REPRESENTATIVES AND ADMINISTRATORS, IRRESPECTIVE OF ANY DESIGNATION OF THE SELLER'S ESTATE AS THE BENEFICIARY UNDER THE SETTLEMENT DOCUMENTS.

8.12 Purchaser's Right to Assign. The Purchaser (and each and any assignee of the Purchaser) may assign all of its right, title, and interest in and to this Agreement, the other Transaction Documents, the Annuity, the Settlement Documents, and the Periodic Payments either before or after the Closing and without any requirement of prior consent from or notice to the Seller. Without limiting the generality of the foregoing, the Seller shall upon request of the Purchaser or

any assignee of the Purchaser execute and deliver any such documents as the Purchaser or any such assignee may require to effectuate and consummate the transactions contemplated hereby.

8.13 Recitals Incorporated. Each of the recitals to this Agreement is hereby incorporated and included in this Agreement by this reference, as if fully set forth at length.

8.14 Holdback. In the event that the Closing occurs within sixty (60) days of the first scheduled monthly payment of the Periodic Payments, Purchaser may, in its discretion at the Closing, hold in Purchaser's bank account and deduct from the Purchase Price, an amount equal to no more than the first two (2) monthly payments to be received by Purchaser hereunder. Upon the receipt by Purchaser of the first monthly payment from the Annuity Owner (thereby insuring the effective change of Payment address), Purchaser shall immediately release such funds withheld from the Purchase Price to the Seller. Purchaser shall have the right to retain funds sufficient to cover any payments not received by Purchaser.

8.16 Multiple Originals. This Agreement shall be fully executed in two (2) multiple originals, each of which shall be deemed an original Agreement.

8.17 Usury Savings Clause. THIS IS NOT A LOAN. It is the intention of Purchaser and Seller that the provisions of this Agreement constitute a purchase and sale of all of Seller's right, title and interest in and to the Periodic Payments and it is not, nor should it be construed as, a loan. Nonetheless, in order to protect against any conceivable determination that the conveyance was not effective, it is the intent of Purchaser and Seller to conform to and contract in strict compliance with applicable usury law from time to time in effect. All agreements between Purchaser and Seller are hereby limited by the provisions of this paragraph which shall override and control all such agreements, whether now existing or hereafter arising and whether written or oral. In no way, nor in any event or contingency (including but not limited to prepayment, default, demand for payment, or acceleration of the maturity of any obligation) shall the rate of interest taken, reserved, contracted for, charged or received under this Agreement or otherwise, exceed the Maximum Lawful Rate (defined below). If, from any possible construction of any document, interest would otherwise be payable in excess of the Maximum Lawful Rate, any such construction shall be automatically reformed and the interest payable shall be automatically reduced to the Maximum Lawful Rate, without the necessity of execution of any amendment of new document. As used herein, the term "Maximum Lawful Rate" means the maximum nonusurious rate of interest per annum permitted by whichever of applicable United States federal law or applicable state law permits the higher interest rate.

8.18 Right of First Refusal. Seller agrees that during the Term, Seller will not sell, assign, borrow against, pledge, or otherwise encumber any one or more of the Settlement Payments not included in the Periodic Payments assigned to Purchaser without first giving Purchaser written notice of the terms of any such proposed loan or sale, whether such proposal was made orally or in writing. If, within ten (10) business days of receiving such notice, Purchaser informs Seller that it elects to match the terms of any such proposed loan or sale, then Seller shall execute all documents necessary to consummate such transaction with Purchaser on those terms. The foregoing right of first refusal shall survive the exercise of any right of cancellation or rescission that Seller or Purchaser may have under this Agreement, or applicable law. This right of first refusal is assignable by Purchaser, however Purchaser may elect, at its sole option, not to permit the assignment of this right of first refusal upon the assignment of this Agreement, in which event this right of first refusal shall remain the property of Purchaser.

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IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives effective as of the date first set forth above.

SELLER:

Michael S. Sensenich
Michael S. Sensenich

1-8-2003
Date

Acknowledgment for Michael S. Sensenich

State of Pennsylvania)
County of Clearfield)

SS:

I, a Notary Public of the County and State aforesaid, do hereby certify that Michael S. Sensenich whose name is signed to the foregoing Structured Settlement Payment Right Purchase and Assignment Agreement, has this day acknowledged the same before me and that said signatory has signed said Structured Settlement Payment Right Purchase and Assignment Agreement as said signatory's free act and deed. Given under my hand this _____ day of _____, 2002.

Sylvia J. Yarger
Notary Public
State of Pennsylvania

Print Name Here: Sylvia J. Yarger
Notarial Seal
My Commission Expires: Woodward Twp., Clearfield County
My Commission Expires Dec. 15, 2003
Member, Pennsylvania Association of Notaries

PURCHASER: STRUCTURED ASSET FUNDING, LLC

By: Amy
Its: PRESIDENT

1-10-03
Date

**EXHIBIT A TO STRUCTURED SETTLEMENT
PAYMENT RIGHT PURCHASE AGREEMENT**

1. DATE OF PURCHASE AGREEMENT:

2. PARTIES TO PURCHASE AGREEMENT:

A. Seller -- Michael S. Senenich
RD 1
Box 683
Osceola Mills, Pennsylvania 16666
Phone: 814-339-7837
SS#: 180-42-1266
DOB: April 5, 1965

B. Purchaser -- Structured Asset Funding, LLC
1250 East Hallandale Beach Blvd., Suite 406
Hallandale, FL 33009
(866) 876-3863

3. SETTLEMENT AND ANNUITY DOCUMENTS

A. Settlement Agreement -- Joint Tortfeasor Release and Settlement Agreement dated on or about June 17, 1997 by and between Michael S. Senenich (Plaintiffs), and Ball Builders, Inc., S.J. Ball Construction and Cincinnati Insurance Company (Defendants).
K2526639

B. Annuity Contract Number --

C. Qualified Assignment -- Not Available

D. Annuity Issuer -- The Cincinnati Life Insurance Company

E. Settlement Obligor -- The Cincinnati Insurance Company

4. SETTLEMENT PAYMENTS --

Three hundred sixty (360) monthly payments, each in the amount of Eight Hundred and 00/100 Dollars (\$800.00), beginning with the payment on July 1, 1997 through to and including June 1, 2027 and for life thereafter. One (1) lump sum payment of Eighty Six Thousand Five Hundred and 00/100 Dollars (\$86,500.00), due and payable on April 5, 2002. One (1) lump sum payment of Eighty Six Thousand Five Hundred and 00/100 Dollars (\$86,500.00), due and payable on April 5, 2007. One (1) lump sum payment of Eighty Six Thousand Five Hundred and 00/100 Dollars (\$86,500.00), due and payable on April 5, 2012.

5. PERIODIC PAYMENTS --

One (1) lump sum payment of Eighty Six Thousand Five Hundred and 00/100 Dollars (\$86,500.00), due and payable on April 5, 2007.

6. PURCHASE PRICE --

Forty One Thousand and 00/100 Dollars (\$41,000.00).

This Exhibit A is incorporated into and made a part of the Periodic Payment Right Purchase and Assignment Agreement (the "Purchase Agreement"), to which this Exhibit A is attached, and the other Transaction Documents as if fully set forth and incorporated into said agreements, contracts, and documents, at length. Seller acknowledges that it is his/her intent to assign, sell, transfer, and convey to Purchaser the Periodic Payments described above. Seller acknowledges that the closing and funding of the Transaction described herein and in the Transaction Documents is expressly contingent upon entry of a final Court Order, as described in section 5.5 of the Purchase Agreement.



Michael S. Sensenich

AMENDED
EXHIBIT A TO STRUCTURED SETTLEMENT
PAYMENT RIGHT PURCHASE AGREEMENT

1. DATE OF PURCHASE AGREEMENT: January 10, 2003

2. PARTIES TO PURCHASE AGREEMENT:

A. Seller -- Michael S. Sensenich
RD 1
Box 683
Osceola Mills, Pennsylvania 16666
Phone: 814-339-7837
SS#: 180-42-1266
DOB: April 5, 1965

B. Purchaser -- Structured Asset Funding, LLC
1250 East Hallandale Beach Blvd., Suite 406
Hallandale, FL 33009
(866) 876-3863

3. SETTLEMENT AND ANNUITY DOCUMENTS

A. Settlement Agreement -- Joint Tortfeasor Release and Settlement Agreement dated on or about June 17, 1997 by and between Michael S. Sensenich (Plaintiffs), and Ball Builders, Inc., S.J. Ball Construction and Cincinnati Insurance Company (Defendants).
B. Annuity Contract Number -- K2526639
C. Qualified Assignment -- Not Available
D. Annuity Issuer -- The Cincinnati Life Insurance Company
E. Settlement Obligor -- The Cincinnati Insurance Company

4. SETTLEMENT PAYMENTS -- Three hundred sixty (360) monthly payments, each in the amount of Eight Hundred and 00/100 Dollars (\$800.00), beginning with the payment on July 1, 1997 through to and including June 1, 2027 and for life thereafter. One (1) lump sum payment of Eighty Six Thousand Five Hundred and 00/100 Dollars (\$86,500.00), due and payable on April 5, 2002. One (1) lump sum payment of Eighty Six Thousand Five Hundred and 00/100 Dollars (\$86,500.00), due and payable on April 5, 2007. One (1) lump sum payment of Eighty Six Thousand Five Hundred and 00/100 Dollars (\$86,500.00), due and payable on April 5, 2012.

5. PERIODIC PAYMENTS -- One (1) lump sum payment of Eighty Six Thousand Five Hundred and 00/100 Dollars (\$86,500.00), due and payable on April 5, 2007.

6. PURCHASE PRICE -- Forty Five Thousand and 00/100 Dollars (\$45,000.00).

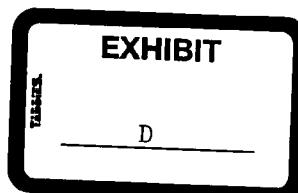
This Amended Exhibit A is incorporated into and made a part of the Periodic Payment Right Purchase and Assignment Agreement (the "Purchase Agreement"), to which this Amended Exhibit A is attached, and the other Transaction Documents as if fully set forth and incorporated into said agreements, contracts, and documents, at length. Seller acknowledges that it is his/her intent to assign, sell, transfer, and convey to Purchaser the Periodic Payments described above. Seller acknowledges that the closing and funding of the Transaction described herein and in the Transaction Documents is expressly contingent upon entry of a final Court Order, as described in section 5.5 of the Purchase Agreement.

Michael A. Sensenich
Michael S. Sensenich

**AFFIDAVIT OF MICHAEL S. SENSENICH
IN SUPPORT OF HIS TRANSFER OF
STRUCTURED SETTLEMENT PAYMENT RIGHTS
TO STRUCTURED ASSET FUNDING, LLC**

I, Michael S. Sensenich, ("I", "Me", "We", "Seller"), being duly sworn upon my oath deposes and says:

1. I am thirty seven (37) years old, of sound mind and fully and personally cognizant of all facts and matters stated in this Affidavit. I have never been adjudged incompetent by any court.
2. I reside at RR 1, Box 683, Osceola Mills, Pennsylvania 16666.
3. My social security number is 180-42-1266 and my date of birth is April 5, 1965.
4. I have never been convicted of a felony.
5. I am married to Paula Sensenich. We do not have any children.
6. I am signing and submitting this affidavit in connection with that certain Structured Settlement Periodic Payment Right Purchase and Assignment Agreement (the "Purchase Agreement") executed by and between myself as the Seller and Structured Asset Funding, L.L.C. ("SAF") as the Purchaser. Capitalized terms not otherwise defined in this Affidavit shall have the meanings given to them in the Purchase Agreement. The "Transaction" shall hereafter refer to the transaction set forth and described in the Purchase Agreement and the Closing Documents, involving the sale and assignment of my right to receive certain future payments to the Purchaser.
7. I have read and understand the Purchase Agreement and the other Closing Documents and understand the Transaction. I am fully aware of the economic consequences of this Transaction and am fully capable of managing my financial, personal and business affairs.
8. I have not received any accounting, tax, legal, or other advice from SAF in connection with the Transaction. I was advised by SAF that I should talk and consult with my own independent professional advisors regarding the Purchase Agreement, the Closing Documents, and the Transaction. My wife and I have voluntarily chosen not to talk and consult with any such advisors. In any event, I have been provided ample opportunity to talk with others regarding the Transaction and have relied solely upon myself and/or upon the advice of my own accounting, tax, legal, and other advisors. Specifically, SAF has not made any representations or assurances and has not provided me any advice regarding the legal, tax or other financial consequences of the Transaction.



9. I have agreed to sell, convey, assign, transfer and deliver to SAF or its designated assignee(s) certain structured settlement payment rights as set forth in Exhibit A to the Purchase Agreement (the "Transferred Payments").
10. I understand that I shall not be entitled to receive any of the Transferred Payments. I understand that I, and my beneficiaries/heirs, will no longer receive any of the Transferred Payments or any portion of the Transferred Payments. I understand that the Transferred Payments will go to SAF or its assign(s).
11. I intend to use the proceeds I receive from SAF under the Purchase Agreement to pay my current property taxes and complete some home improvement projects. The taxes on our 50 acre lot keep increasing. We are not behind in our property taxes but we need assistance paying the current property tax bill. We would like to make some improvements to our barn and fence and use a portion of the proceeds to subdivide a portion of our 50 acre lot for sale. I have determined that the sale of the Transferred Payments to SAF will improve the quality of my life and is in my best interests taking into consideration the welfare and support of my dependents. The transfer will not subject me or my dependents to economic hardship now or in the future.
12. I understand that the Settlement Agreement and/or other Settlement Documents may contain provisions that restrict or prohibit the assignment or sale of the Transferred Payments. I waive all such restrictions and prohibitions and desire to complete the Transaction notwithstanding such restrictions and prohibitions.
13. I understand and acknowledge that each of the representations, warranties, covenants, agreements, obligations, and duties I made under the Purchase Agreement and the other Closing Documents are being relied upon by SAF. I understand that if I breach or violate any of the terms of the Purchase Agreement or the other Closing Documents, SAF will suffer substantial damages as a result.
14. I will not, and will not permit anyone claiming by or through me (other than SAF), to do anything which would divert any Transferred Payments from SAF.
15. I recognize and accept the continuing and irrevocable duty and obligation under the Purchase Agreement to cooperate with SAF to make sure that SAF receives all of the Transferred Payments, including the duty to immediately deliver to SAF any checks, funds or other form of payment received by me which constitute any of the Transferred Payments. I understand that this duty exists regardless of whether the Transferred Payments are received by mistake or as a result of any action or omission on the part of SAF.
16. I have not previously pledged, promised, assigned, sold, or encumbered any of my rights in or to the Transferred Payments due under the Settlement Documents or the Annuity Documents (except as may be set forth and fully disclosed in the Disclosure Statement and/or other Closing Documents in this Transaction), nor have any such payment rights

or benefits ever been attached, levied, foreclosed upon, seized, restricted, or subjected to garnishment or other legal process or proceeding.

17. The transfer, assignment, and conveyance of the Transferred Payments to SAF under the Purchase Agreement shall constitute an absolute assignment and conveyance to SAF of the Transferred Payments. Said assignment, transfer and conveyance is not intended to, nor shall it ever be construed as, a loan from SAF to me nor shall it create any type of partnership or other joint ownership arrangement between myself and SAF.
18. I hereby acknowledge that my execution and delivery of this sworn Affidavit is being made as a material inducement in SAF's decision and willingness to accept the Purchase Agreement and pay the Purchase Price and that BUT FOR MY EXECUTION AND DELIVERY OF THIS SWORN AFFIDAVIT, SAF WOULD NOT PAY THE PURCHASE PRICE OR PURCHASE OR ACCEPT THE TRANSFERRED PAYMENTS, BUT RATHER WOULD TERMINATE THE PURCHASE AGREEMENT.

SUBSCRIBED TO AND SWORN TO BEFORE ME on this the 8 day of January
2003.

Michael S. Sensenich
Michael S. Sensenich

Acknowledgment For Michael S. Sensenich

State of Pennsylvania)
County of Clearfield)

SS:

I, a Notary Public of the County and State aforesaid, do hereby certify that Michael S. Sensenich, whose name is signed to the foregoing Affidavit has this day acknowledged the same before me and that said signatory has signed said Affidavit as said signatory's free act and deed. Given under my hand this 8 day of January, 2003.

Sylvia J. Yarger
Notary Public
State of Pennsylvania

Print Name Here:

Sylvia J. Yarger

My Commission Expires:

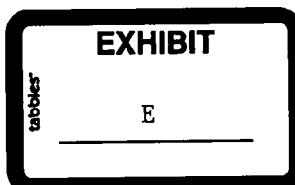
Notarial Seal
Sylvia J. Yarger, Notary Public
Woodward Twp., Clearfield County
My Commission Expires Dec. 15, 2003
Member, Pennsylvania Association of Notaries

PENNSYLVANIA DISCLOSURE STATEMENT
Payee: Michael S. Sensenich - Resident of: Pennsylvania

- A. The amounts and due dates of the structured settlement payments to be transferred: One (1) lump sum payment of Eighty Six Thousand Five Hundred and 00/100 Dollars (\$86,500.00), due and payable on April 5, 2007.
- B. The aggregate amount of the payments: \$86,500.00.
- C. The discounted present value of the payments, together with the discount rate used in determining the discounted present value: \$73,556.79. This amount is determined by applying the applicable federal rate of 4.0% as of December 10, 2002.
- D. The gross amount payable to the payee in exchange for the structured settlement payments: \$41,000.00.
- E. The following is an itemized listing of all brokers' commissions, service charges, application or processing fees, closing costs, filing or administrative fees, legal fees, notary fees and other commissions, fees, costs, expenses, and charges payable by the payee or deductible from the gross amount otherwise payable to the Payee: \$0.00.
- F. Independent Professional Advice. Payee will be solely responsible for any independent professional advice or advisor's fees related to the rendering of any advice regarding Payee's transfer of structured settlement payments. These fees are in addition to any legal or other fees estimated above.

M.S.
Payee's Initials

Pennsylvania Disclosure Statement
Page 1 of 2



G. The net amount payable to the Payee after deducting all commissions, fees, costs, expenses, and charges described in subparagraph E: \$41,000.00.

H. The net amount that you will receive from us in exchange for your future structured settlement payments represent 55.73% of the estimated current value of the payments based upon the discounted value using the applicable federal rate. This percentage is obtained by dividing the net payment amount by the discounted present value of the payments.

I. The amount of any penalty and the aggregate amount of any liquidated damages, including penalties, payable by the Payee in the event of a breach of the transfer agreement by the Payee: \$0.00.

YOU ARE ADVISED TO SEEK INDEPENDENT PROFESSIONAL ADVICE. "INDEPENDENT PROFESSIONAL ADVICE" IS TYPICALLY DEFINED AS "ADVICE OF AN ATTORNEY, CERTIFIED PUBLIC ACCOUNTANT, ACTUARY OR OTHER LICENSED PROFESSIONAL ADVISER," WHO CAN ADVISE YOU REGARDING THE TRANSFER OF YOUR STRUCTURED SETTLEMENT PAYMENTS.

By signing below, I am confirming that I received a copy of this disclosure statement at least ten (10) days prior to the date on which I first incurred an obligation with respect to the transfer agreement with Structured Asset Funding, LLC, pursuant to Pennsylvania's Structured Settlement Protection Act.

12/12/02
DATED

Micheal S. Sense nich
MICHEAL S. SENSENICH

M.S.S.
Payee's Initials

AMENDED
PENNSYLVANIA DISCLOSURE STATEMENT
Payee: Michael S. Sensenich - Resident of: Pennsylvania

- A. The amounts and due dates of the structured settlement payments to be transferred: One (1) lump sum payment of Eighty Six Thousand Five Hundred and 00/100 Dollars (\$86,500.00), due and payable on April 5, 2007.**
- B. The aggregate amount of the payments: \$86,500.00.**
- C. The discounted present value of the payments, together with the discount rate used in determining the discounted present value: \$73,556.79. This amount is determined by applying the applicable federal rate of 4.0% as of February 5, 2003.**
- D. The gross amount payable to the payee in exchange for the structured settlement payments: \$45,000.00.**
- E. The following is an itemized listing of all brokers' commissions, service charges, application or processing fees, closing costs, filing or administrative fees, legal fees, notary fees and other commissions, fees, costs, expenses, and charges payable by the payee or deductible from the gross amount otherwise payable to the Payee: \$0.00.**
- F. Independent Professional Advice. Payee will be solely responsible for any independent professional advice or advisor's fees related to the rendering of any advice regarding Payee's transfer of structured settlement payments. These fees are in addition to any legal or other fees estimated above.**

M.S.
Payee's Initials

G. The net amount payable to the Payee after deducting all commissions, fees, costs, expenses, and charges described in subparagraph E: \$45,000.00.

H. The net amount that you will receive from us in exchange for your future structured settlement payments represent 61.18% of the estimated current value of the payments based upon the discounted value using the applicable federal rate. This percentage is obtained by dividing the net payment amount by the discounted present value of the payments.

I. The amount of any penalty and the aggregate amount of any liquidated damages, including penalties, payable by the Payee in the event of a breach of the transfer agreement by the Payee: \$0.00.

YOU ARE ADVISED TO SEEK INDEPENDENT PROFESSIONAL ADVICE. “INDEPENDENT PROFESSIONAL ADVICE” IS TYPICALLY DEFINED AS “ADVICE OF AN ATTORNEY, CERTIFIED PUBLIC ACCOUNTANT, ACTUARY OR OTHER LICENSED PROFESSIONAL ADVISER,” WHO CAN ADVISE YOU REGARDING THE TRANSFER OF YOUR STRUCTURED SETTLEMENT PAYMENTS.

By signing below, I am confirming that I received a copy of this disclosure statement at least ten (10) days prior to the date on which I first incurred an obligation with respect to the transfer agreement with Structured Asset Funding, LLC, pursuant to Pennsylvania’s Structured Settlement Protection Act.

2-14-03
DATED

Michael S. Senenich
MICHEAL S. SENENICH

M.S.S.
Payee's Initials

IMPORTANT NOTICE (PA)

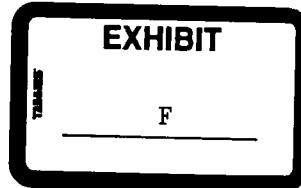
Payee: Michael S. Sensenich

IMPORTANT NOTICE: You are strongly urged to consult with an attorney who can advise you of the potential tax consequences of this transaction.

I, Michael S. Sensenich, hereby affirm that I received the above Important Notice from Structured Asset Funding, LLC regarding my transfer of certain structured settlement payment rights ("Transaction"). In the Important Notice, Structured Asset Funding, LLC strongly urged me to consult with an attorney who can advise me of the potential tax consequences of this Transaction.

Michael S. Sensenich
Michael S. Sensenich

2-14-03
Date



ACKNOWLEDGEMENT

INDEPENDENT LEGAL ADVICE

I, Michael S. Sensenich, ("I", "Me", "Seller"), being duly sworn upon my oath depose and say:

1. I am of sound mind and fully and personally cognizant of all facts and matters stated in this Affidavit. I have never been adjudged incompetent by any court.
2. On or about January 10, 2003, I entered into a Structured Settlement Payment Right Purchase and Assignment Agreement with Structured Asset Funding, LLC (the "Agreement") to transfer certain structured settlement payment rights.
3. With regard to said Agreement, I received a written notice from Structured Asset Funding, LLC in bold print and at least 12 point type on a separate sheet that contained the following statement: "IMPORTANT NOTICE: You are strongly advised to consult with an attorney who can advise you of the potential tax consequences of this transaction."
4. Accordingly,
 - a. I have received independent legal advice regarding the implications of the transfer, including consideration of the tax ramifications of the transfer.

Signature

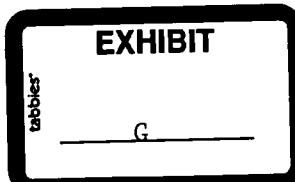
OR

- b. I have expressly waived independent legal advice regarding the implications of the transfer, including consideration of the tax ramifications of the transfer.

Michael S. Sensenich
Signature

Michael S. Sensenich
Michael S. Sensenich

2-14-03
Date



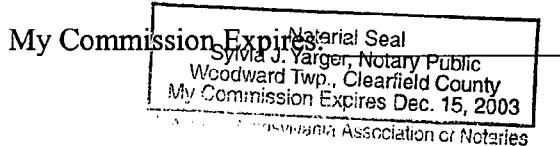
Commonwealth of Pennsylvania)
)
County of Clyd.)

On this, the 14 day of February, 2003, before me a Notary Public, the undersigned officer, personally appeared Michael S. Sensenich, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that he executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal.

Sylvia J. Yarger
Notary Public

Sylvia J. Yarger
Print Name



UNITED STATES CODE ANNOTATED
TITLE 26. INTERNAL REVENUE CODE
SUBTITLE E--ALCOHOL, TOBACCO, AND CERTAIN OTHER EXCISE TAXES
CHAPTER 55--STRUCTURED SETTLEMENT FACTORING TRANSACTIONS

Copr. © West Group 2002. No claim to Orig. U.S. Govt. Works.

Current through P.L. 107-136, approved 1-24-02

§ 5891. Structured settlement factoring transactions

(a) Imposition of tax.--There is hereby imposed on any person who acquires directly or indirectly structured settlement payment rights in a **structured settlement factoring transaction** a tax equal to 40 percent of the factoring discount as determined under subsection (c)(4) with respect to such factoring transaction.

(b) Exception for certain approved transactions.--

(1) In general.--The tax under subsection (a) shall not apply in the case of a **structured settlement factoring transaction** in which the transfer of structured settlement payment rights is approved in advance in a **qualified order**.

(2) Qualified order.--For purposes of this section, the term "qualified order" means a final order, judgment, or decree which--

(A) finds that the transfer described in paragraph (1)--

(i) does not contravene any Federal or State statute or the order of any court or responsible administrative authority, and

(ii) is in the best interest of the payee, taking into account the welfare and support of the payee's dependents, and

(B) is issued--

(i) under the authority of an applicable State statute by an applicable State court, or

(ii) by the responsible administrative authority (if any) which has exclusive jurisdiction over the underlying action or proceeding which was resolved by means of the structured settlement.

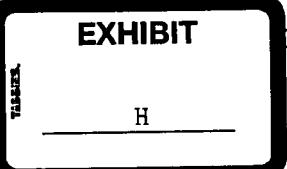
(3) Applicable State statute.--For purposes of this section, the term "applicable State statute" means a statute providing for the entry of an order, judgment, or decree described in paragraph (2)(A) which is enacted by--

(A) the State in which the payee of the structured settlement is domiciled, or

(B) if there is no statute described in subparagraph (A), the State in which either the party to the structured settlement (including an assignee under a qualified assignment under section 130) or the person issuing the funding asset for the structured settlement is domiciled or has its principal place of business.

(4) Applicable State court.--For purposes of this section--

(A) In general.--The term "applicable State court" means, with respect to any applicable State statute, a court of



the State which enacted such statute.

(B) Special rule.--In the case of an applicable State statute described in paragraph (3)(B), such term also includes a court of the State in which the payee of the structured settlement is domiciled.

(5) Qualified order dispositive.--A qualified order shall be treated as dispositive for purposes of the exception under this subsection.

(c) Definitions.--For purposes of this section--

(1) Structured settlement.--The term "structured settlement" means an arrangement--

(A) which is established by--

(i) suit or agreement for the periodic payment of damages excludable from the gross income of the recipient under section 104(a)(2), or

(ii) agreement for the periodic payment of compensation under any workers' compensation law excludable from the gross income of the recipient under section 104(a)(1), and

(B) under which the periodic payments are--

(i) of the character described in subparagraphs (A) and (B) of section 130(c)(2), and

(ii) payable by a person who is a party to the suit or agreement or to the workers' compensation claim or by a person who has assumed the liability for such periodic payments under a qualified assignment in accordance with section 130.

(2) Structured settlement payment rights.--The term "structured settlement payment rights" means rights to receive payments under a structured settlement.

(3) Structured settlement factoring transaction.--

(A) **In general.**--The term "structured settlement factoring transaction" means a transfer of structured settlement payment rights (including portions of structured settlement payments) made for consideration by means of sale, assignment, pledge, or other form of encumbrance or alienation for consideration.

(B) Exception.--Such term shall not include--

(i) the creation or perfection of a security interest in structured settlement payment rights under a blanket security agreement entered into with an insured depository institution in the absence of any action to redirect the structured settlement payments to such institution (or agent or successor thereof) or otherwise to enforce such blanket security interest as against the structured settlement payment rights, or

(ii) a subsequent transfer of structured settlement payment rights acquired in a **structured settlement factoring transaction**.

(4) Factoring discount.--The term "factoring discount" means an amount equal to the excess of--

(A) the aggregate undiscounted amount of structured settlement payments being acquired in the **structured settlement factoring transaction**, over

(B) the total amount actually paid by the acquirer to the person from whom such structured settlement payments are acquired.

(5) Responsible administrative authority.--The term "responsible administrative authority" means the

administrative authority which had jurisdiction over the underlying action or proceeding which was resolved by means of the structured settlement.

(6) State.--The term "State" includes the Commonwealth of Puerto Rico and any possession of the United States.

(d) Coordination with other provisions.--

(1) In general.--If the applicable requirements of sections 72, 104(a)(1), 104(a)(2), 130, and 461(h) were satisfied at the time the structured settlement involving structured settlement payment rights was entered into, the subsequent occurrence of a **structured settlement factoring transaction** shall not affect the application of the provisions of such sections to the parties to the structured settlement (including an assignee under a qualified assignment under section 130) in any taxable year.

(2) No withholding of tax.--The provisions of section 3405 regarding withholding of tax shall not apply to the person making the payments in the event of a **structured settlement factoring transaction**.

CREDIT(S)
2002 Pocket Part

(Added Pub.L. 107-134, Title I, § 115(a), Jan. 23, 2002, 115 Stat. 2436.)

<General Materials (GM) - References, Annotations, or Tables>

HISTORICAL AND STATUTORY NOTES

Revision Notes and Legislative Reports

2002 Acts. Statement of President, see 2001 U.S. Code Cong. and Adm. News, p. 1812.

Effective and Applicability Provisions

2002 Acts. Pub.L. 107-134, Title I, § 115(c), Jan. 23, 2002, 115 Stat. 2438, provided that:

"(1) In general.--The amendments made by this section [enacting this chapter] (other than the provisions of section 5891(d) of the Internal Revenue Code of 1986, as added by this section [26 U.S.C.A. § 5891(d)]) shall apply to **structured settlement factoring transactions** (as defined in section 5891(c) of such Code (as so added) [26 U.S.C.A. § 5891(c)]) entered into on or after the 30th day following the date of the enactment of this Act [Jan. 23, 2002].

"(2) Clarification of existing law.--Section 5891(d) of such Code (as so added) [26 U.S.C.A. § 5891(d)] shall apply to **structured settlement factoring transactions** (as defined in section 5891(c) of such Code (as so added) [26 U.S.C.A. § 5891(c)]) entered into before, on, or after such 30th day.

"(3) Transition rule.--In the case of a **structured settlement factoring transaction** entered into during the period beginning on the 30th day following the date of the enactment of this Act [Jan. 23, 2002] and ending on July 1,

2002, no tax shall be imposed under section 5891(a) of such Code [26 U.S.C.A. § 5891(a)] if--

"**(A)** The structured settlement payee is domiciled in a State (or possession of the United States) which has not enacted a statute providing that the **structured settlement factoring transaction** is ineffective unless the transaction has been approved by an order, judgment, or decree of a court (or where applicable, a responsible administrative authority) which finds that such transaction--

"**(i)** does not contravene any Federal or State statute or the order of any court (or responsible administrative authority); and

"**(ii)** is in the best interest of the structured settlement payee or is appropriate in light of a hardship faced by the payee; and

"**(B)** the person acquiring the structured settlement payment rights discloses to the structured settlement payee in advance of the **structured settlement factoring transaction** the amounts and due dates of the payments to be transferred, the aggregate amount to be transferred, the consideration to be received by the structured settlement payee for the transferred payments, the discounted present value of the transferred payments (including the present value as determined in the manner described in section 7520 of such Code [26 U.S.C.A. § 7520]), and the expenses required under the terms of the **structured settlement factoring transaction** to be paid by the structured settlement payee or deducted from the proceeds of such transaction."

26 U.S.C.A. § 5891

26 USCA § 5891

END OF DOCUMENT

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY
PENNSYLVANIA
CIVIL DIVISION

ORDER OF COURT
SCHEDULING HEARING DATE

AND NOW, this ____ day of _____, 2003, upon the filing and presentation of the Petition to Transfer Structured Settlement Payment Rights pursuant to the Structured Settlement Protection Act, 40 P.S. §§ 4001-4009, it is hereby ORDERED that a hearing thereon is set for the ____ day of _____, 2003 at _____ in Courtroom _____ before the Honorable _____.

Petitioner shall provide notice of the time and date set for hearing, a copy of the Petition filed, and the Transfer Disclosure, to the Settlement Obligor, and the Annuity Issuer, as set forth in the Petition, and shall in all other respects comply with the terms of the aforementioned statute.

BY THE COURT:

J.

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY
PENNSYLVANIA
CIVIL DIVISION

FILED

IN RE: PETITION OF MICHAEL S. SENSENICH : APR 01 2003
TO TRANSFER STRUCTURED :
SETTLEMENT PAYMENT :
RIGHTS : William A. Shaw
: Prothonotary
: No. 03-228-CD
:

FINAL ORDER OF COURT

AND NOW, this 1 day of April, 2003, upon presentation of the Petition of Michael S. Sensenich to Transfer Structured Settlement Payment Rights pursuant to the Structured Settlement Protection Act, 40 P.S. §§ 4001-4009, it appearing to this Court that proper notice of the filing and presentation of this Petition was given to the Settlement Obligor, The Cincinnati Insurance Company, and to the Annuity Issuer, The Cincinnati Life Insurance Company; and it further appearing that The Cincinnati Insurance Company and The Cincinnati Life Insurance Company have not answered or otherwise appeared; after due consideration, this Court finds as follows:

1. This Court has subject matter and personal jurisdiction.
2. The transfer complies with the requirements of the Structured Settlement Protection Act, 40 P.S. §§ 4001-4009, and will not contravene other applicable Federal or State statutes or regulations or any applicable law limiting the transfer of workers' compensation claims.

3. Not less than ten (10) days prior to the date upon which the Petitioner first incurred any obligation with respect to the transfer, the Transferee, Structured Asset Funding, LLC provided the Petitioner a disclosure statement setting forth in boldface, minimum 12-point size type all of the following:

- a. The amounts and due dates of the structured settlement payments to be transferred.
- b. The aggregate amount of such payments.
- c. The discounted present value of such payments, together with the discount rate or rates used in determining such discounted present value.
- d. The gross amount payable to the Petitioner in exchange for such payments.
- e. An itemized listing of all brokers' commissions, service charges, application or processing fees, closing costs, filing or administrative charges, legal fees, notary fees and other commissions, fees, costs, expenses and charges payable by the Petitioner or deductible from the gross amount otherwise payable to the Petitioner.
- f. The net amount payable to the Petitioner after deduction of all commissions, fees, costs, expenses, and charges described above.
- g. The quotient, expressed as a percentage, obtained by dividing the net payment amount by the discounted present value of the payments.
- h. The amount of any penalty and the aggregate of any liquidated damages, inclusive of penalties, payable by the Petitioner in the event of any breach of the Purchase Agreement by the Petitioner.

4. The Petitioner has established that the transfer is in his best interests, taking into account the welfare and support of the Petitioner's dependents, if any, at time of entry of this Order of Court.

5. The Petitioner has received, or expressly waived in a separate written acknowledgement signed by the Petitioner, independent legal advice regarding the implications of the transfer, including consideration of the tax ramifications of the transfer.

6. The transfer has been expressly approved in writing by the Petitioner, and at the time the Petitioner and the Transferee proposed to enter into the Purchase Agreement, a favorable tax result was in effect. The approvals of the Annuity Issuer and Settlement Obligor are not required.

7. The Petitioner has given written notice pursuant to 40 P.S. § 4003 (a)(6) of the Transferee's name, address, and taxpayer identification number to the Annuity Issuer, and the Structured Settlement Obligor, and a copy of the written notice has been filed with the Court.

8. Prior to entering into the Purchase Agreement the Petitioner was provided with a written notice on a separate sheet that contains the following, in boldface, minimum 12-point size type required by 40 P.S. §§ 4003 (b):

“IMPORTANT NOTICE: You are strongly urged to consult with an attorney who can advise you of the potential tax consequences of this transaction.”

9. Not less than 20 days prior to the scheduled hearing on the petition for authorization of a transfer of structured settlement payment rights under 40 P.S. § 4003, the Petitioner filed with the Court and served on the Transferee a notice of the proposed transfer and the application for its authorization, including in the notice a copy of the Petitioner's Petition to the Court, a copy of the Purchase Agreement, a copy of the disclosure statement required under 40 P.S. § 4003, notification that the Transferee, the structured settlement obligor or the annuity issuer is entitled to support, oppose or otherwise respond to the Petition, either in person or by counsel, by submitting written comments to the Court or by participating in the hearing and notification of the time and place of the hearing and notification of the manner in which and the time by which written responses to the Petition must be filed.

10. The Purchase Agreement does not authorize Transferee or any other party to confess judgment or consent to entry of judgment against Petitioner.

11. The Petitioner shall retain all right and interest in receiving the remaining balance not assigned of: monthly payments of \$800.00 to Petitioner, guaranteed for a minimum period of thirty (30) years, commencing July 1, 1997 through and including June 1, 2027 and for life thereafter; and the entire lump sum payment of \$86,500.00 due on April 5, 2012 (the "non-assigned payments").

NOW THEREFORE, in consideration of the foregoing findings, it is hereby ORDERED, ADJUDGED and DECREED that the Petition to Transfer Structured Settlement Payment Rights pursuant to the Structured Settlement Protection Act, 40 P.S. §§ 4001-4009 be and is hereby GRANTED as follows:

A. The transfer by Petitioner, Michael S. Sensenich to Transferee, Structured Asset Funding, LLC of the Transferred Payments (consisting of one (1) lump sum payment of \$86,500.00 due on April 5, 2007) is hereby APPROVED.

B. The Settlement Obligor, The Cincinnati Insurance Company shall direct the Annuity Issuer, The Cincinnati Life Insurance Company to send only the Transferred Payments to Structured Asset Funding, LLC and its successors and/or assigns care of the following address:

Structured Asset Funding, LLC
757 SE 17th Street, #854
Fort Lauderdale, FL 33316

or such other address as Structured Asset Funding, LLC and its successors and/or assigns may designate upon written notice to Settlement Obligor, The Cincinnati Insurance Company and the Annuity Issuer, The Cincinnati Life Insurance Company. Settlement Obligor, The Cincinnati Insurance Company and the Annuity Issuer, The Cincinnati Life Insurance Company shall not be

required to change the address for the Transferred Payment absent payment of a reasonable administrative fee, which shall not be charged to or paid by the Payee.

C. Structured Asset Funding, LLC and its successors and/or assigns shall defend, indemnify and hold harmless (collectively, the "Indemnity") the Settlement Obligor, The Cincinnati Insurance Company and the Annuity Issuer, The Cincinnati Life Insurance Company from any claims, liability or damages, including, but not limited to, reasonable costs and attorneys' fees, arising from or in connection with (a) any disclosures made in or related to this Order of Court; (b) compliance by the Settlement Obligor, The Cincinnati Insurance Company and the Annuity Issuer, The Cincinnati Life Insurance Company with this Order of Court; and/or (c) the Transferee's failure to comply with the Act. As security for any amounts owed under the Indemnity, Structured Asset Funding, LLC grants, and Petitioner Michael S. Sensenich grants, to Settlement Obligor, The Cincinnati Insurance Company and the Annuity Issuer, The Cincinnati Life Insurance Company all rights of offset, setoff and recoupment with respect to the Transferred Payments.

D. Structured Asset Funding, LLC and Petitioner Michael S. Sensenich agree that the terms of this Order of Court are based exclusively upon the facts, representations and circumstances of this particular case. Nothing in this Order of Court shall preclude Settlement Obligor, The Cincinnati Insurance Company and the Annuity Issuer, The Cincinnati Life Insurance Company from contesting any other proposed transfer of structured settlement payment rights, whether on the basis of applicable law. This Order of Court is entered without prejudice to the rights of Settlement Obligor, The Cincinnati Insurance Company and the Annuity Issuer, The Cincinnati Life Insurance Company and the Court makes no findings regarding the enforceability of any non-assignment provision(s) contained in the structured

settlement agreement or related documents; provided, however, that the transfer of the Transferred Payments, as provided in this Order of Court shall be valid and enforceable against Settlement Obligor, The Cincinnati Insurance Company and the Annuity Issuer, The Cincinnati Life Insurance Company in accordance with its terms. This Order of Court shall not serve as precedent in any way nor be cited in any matter. Nothing contained in this Order of Court shall be deemed to afford Petitioner Michael S. Senenich and Structured Asset Funding, LLC any rights of ownership or control of the annuity or shall otherwise affect the exclusive ownership and control of the annuity by Settlement Obligor, The Cincinnati Insurance Company.

E. Pursuant to the Act, this Court orders that Settlement Obligor, The Cincinnati Insurance Company and the Annuity Issuer, The Cincinnati Life Insurance Company are hereby discharged and immune from all liability to the Petitioner, anyone claiming through the Petitioner, or to any other person or entity (except Structured Asset Funding, LLC per the terms of this Order) for the Transferred Payments or for disclosures made in or related to this Order.

F. Compliance with the requirements and fulfillment of the conditions set forth in the Act shall be solely the responsibility of the Transferee in the transfer of the Transferred Payments, and neither Settlement Obligor, The Cincinnati Insurance Company nor the Annuity Issuer, The Cincinnati Life Insurance Company shall bear any responsibility for, or any liability arising from, noncompliance with those requirements or failure to fulfill those conditions.

G. All interested parties, including Petitioner, the Transferee, the Structured Settlement Obligor, and the Annuity Issuer shall abide by the terms of the Purchase Agreement in all respects. This Order shall be considered a "qualified order" for purposes of 26 U.S.C.A. § 5891. Notice of the entry of this Order shall be served by Petitioner on all parties and Proof of Service shall be filed with the Court. Jurisdiction shall remain with this Court.

*By the Court,
John Cally Jr.
P.S.*

FILED

3CC
Atty Monks
APR 13 2003
APR 01 2003
William A. Shaw
Prothonotary

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY
PENNSYLVANIA
CIVIL DIVISION

FILED

IN RE: PETITION OF MICHAEL S. SENENICH
TO TRANSFER STRUCTURED
SETTLEMENT PAYMENT
RIGHTS

FEB 20 2003

1/12/2003

William A. Shaw
Prothonotary/Clerk of Courts
1 Court St. Apt. 7

No. 2003-228-CV

ORIGINATE

C/S

**PETITION TO TRANSFER STRUCTURED
SETTLEMENT PAYMENT RIGHTS**

Petitioner, MICHAEL S. SENENICH, brings forth the following Petition to Transfer Structured Settlement Payment Rights pursuant to, and in compliance with, the Structured Settlement Protection Act, 40 P.S. §§ 4001-4009, and in support states as follows:

1. The Petitioner is MICHAEL S. SENENICH, an adult individual whose date of birth is April 5, 1965, and who resides at RD 1, Box 683, Osceola Mills, Clearfield County, Pennsylvania, 16666. This Court has venue pursuant to the Structured Settlement Protection Act, because the Petitioner is domiciled in Clearfield County, Pennsylvania.

2. On or about September 16, 1985, Petitioner sustained injuries as a result of an accident. Thereafter, on June 17, 1997, Petitioner entered into a Release and Settlement Agreement with The Cincinnati Insurance Company. The Agreement provided for monthly payments of \$800.00 to Petitioner for life, guaranteed for a minimum period of thirty (30) years, commencing July 1, 1997. Additionally, the Agreement provided for three (3) lump sum payments, each in the amount of \$86,500.00, and due on April 5, 2002, April 5, 2007 and April



JONES, GRECC,
CREEHAN & GERACE LLP

ROBERT L. MONKS
412-261-6400
rlm@jgcg.com

ATTORNEYS AT LAW
February 19, 2003

Via Federal Express

Clearfield County Prothonotary
Clearfield County Courthouse
230 East Market Street
Clearfield, PA 16830

**RE: Petition to Transfer Structured Settlement Payment Rights
of Michael S. Sensenich To Structured Asset Funding, LLC
JGC&G File No.: 03G107**

Dear Sir/Madam:

Enclosed for filing is the Petition of Michael S. Sensenich to Transfer Structured Settlement Payment Rights. Please time-stamp the two (2) additional copies and return them in the envelope I have enclosed for your convenience. Enclosed is a check in the amount of \$85.00 representing payment of the filing fee.

Please forward the Petition and scheduling order (along with this letter) to the Court Administrator for the assignment of a judge and the scheduling of the statutorily required hearing. **At least 20 days notice of the hearing must be given to the interested parties, and therefore I respectfully request that the hearing be set for a date after March 20th.** It would also be appreciated if the hearing could be set for the afternoon to allow for my own same-day travel.

If you have any questions, please contact me. I thank you in advance for your cooperation in this matter.

Very truly yours,

Robert L. Monks

RLM/li
Enclosures
cc: Michael S. Sensenich
Structured Asset Funding, LLC
Pam Green, Esquire

6A

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY
PENNSYLVANIA
CIVIL DIVISION

IN RE: PETITION OF MICHAEL S. SENSENICH
TO TRANSFER STRUCTURED
SETTLEMENT PAYMENT
RIGHTS

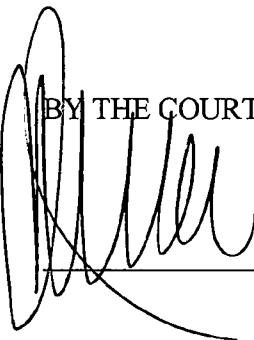
No. 2003-228-CV

ORDER OF COURT
SCHEDULING HEARING DATE

AND NOW, this 25th day of February, 2003, upon the filing and presentation of the Petition to Transfer Structured Settlement Payment Rights pursuant to the Structured Settlement Protection Act, 40 P.S. §§ 4001-4009, it is hereby ORDERED that a hearing thereon is set for the 1st day of April, 2003 at 2:30 in Courtroom 1 before the Honorable Judge Reilly.

Petitioner shall provide notice of the time and date set for hearing, a copy of the Petition filed, and the Transfer Disclosure, to the Settlement Obligor, and the Annuity Issuer, as set forth in the Petition, and shall in all other respects comply with the terms of the aforementioned statute.

BY THE COURT:



J.

FILED

FEB 25 2003

William A. Shaw
Prothonotary

FILED

2003-02-25

FEB 25 2003

2003-02-25
Atty Monks

William A. Shaw
Prothonotary

WAS

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY
PENNSYLVANIA
CIVIL DIVISION

FILED

IN RE: PETITION OF MICHAEL S. SENSENICH
TO TRANSFER STRUCTURED
SETTLEMENT PAYMENT
RIGHTS

FEB 28 2003

**William A. Shaw
Prothonotary**

No. 2003 - 228 - CD

**NOTICE OF PROPOSED TRANSFER OF
STRUCTURED SETTLEMENT PAYMENT RIGHTS**

To: The Cincinnati Insurance Company
6200 South Gilmore Road
Fairfield, OH 45014-5141
(Settlement Obligor)

The Cincinnati Life Insurance Company
6200 South Gilmore Road
Fairfield, OH 45014-5141
(Annuity Issuer)

Structured Asset Funding, LLC
1250 East Hallandale Beach Blvd.
Suite 406
Hallandale, FL 33009
Attn: Pam Green
(Transferee)

Michael S. Sensenich
RD 1, Box 683,
Osceola Mills, PA 16666
(Payee)

Please take notice that a Petition to Transfer Structured Settlement Payment Rights has been filed in the Court of Common Pleas of Clearfield County, Pennsylvania. A Scheduling Order has been issued by the court requiring that responses or objections of the transferee, structured settlement obligor or the annuity issuer, be brought before the court either in writing or by personal appearance, at a hearing set for April 1, 2003 at 2:30 p.m. before the Honorable John K. Reilly, Jr. (A copy of the scheduling order entered February 25, 2003 is included with this notice).

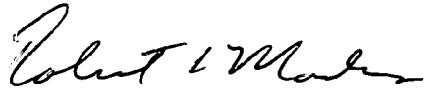
Provided with this notice is a copy of the Petition to Transfer Structured Settlement Payment Rights, including as attachments thereto a copy of the Transfer Agreement, and a copy of the Transfer Disclosure Statement required by 40 P.S. § 4003 (2).

Pursuant to 40 P.S. § 4003 (6) notice of the transferee's name, address and taxpayer identification number are as follows:

Structured Asset Funding, LLC
757 SE 17th Street, # 362
Fort Lauderdale, FL 33316
(TIN: 82-0561706)

Respectfully submitted,

Jones, Gregg, Creehan & Gerace, LLP

By: 

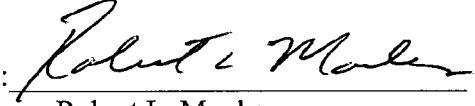
Robert L. Monks
PA I.D.# 52760
411 Seventh Avenue
Suite 1200
Pittsburgh, PA 15219
412-261-6400
Attorney for Petitioner, Michael S.
Sensenich

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of this Notice of Proposed Transfer of Structured Settlement Payment Rights, the Petition to Transfer Structured Settlement Payment Rights and the Transfer Disclosure Statement, and the Scheduling Order have been served via certified mail, return-receipt requested upon the persons and entities, and at the addresses listed above, this 26th day of February, 2003.

Respectfully submitted,

Jones, Gregg, Creehan & Gerace, LLP

By: 

Robert L. Monks
PA I.D.# 52760
411 Seventh Avenue
Suite 1200
Pittsburgh, PA 15219
412-261-6400
Attorney for Petitioner, Michael S.
Sensenich

FILED NO
m 11:26 AM C
FEB 28 2003 C
KCB

William A. Shaw
Prothonotary

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY
PENNSYLVANIA
CIVIL DIVISION

IN RE: PETITION OF MICHAEL S. SENSENICH
TO TRANSFER STRUCTURED
SETTLEMENT PAYMENT
RIGHTS

No. 2003 - 228 - CD

**AFFIDAVIT OF SERVICE OF NOTICE OF
FILING OF PETITION AND NOTICE OF HEARING**

Before me, the undersigned authority, personally appeared, Robert L. Monks, who, after being first duly sworn according to law, deposes and says that on February 25, 2003, he served true and correct copies of the Petition of Michael S. Sensenich to Transfer Structured Settlement Payment Rights including a copy of the Transfer Disclosure, a copy of the Notice of Proposed Transfer of Structured Settlement Payment Rights, and a copy of the Order of Court scheduling the hearing date for April 1, 2003 at 2:30 p.m., via certified mail, return-receipt requested, upon the following:

The Cincinnati Insurance Company
6200 South Gilmore Road
Fairfield, OH 45014-5141
(Settlement Obligor)

The Cincinnati Life Insurance Company
6200 South Gilmore Road
Fairfield, OH 45014-5141
(Annuity Issuer)

FILED

MAR 12 2003

William A. Shaw
Prothonotary

Structured Asset Funding, LLC
1250 East Hallandale Beach Blvd.
Suite 406
Hallandale, FL 33009
Attn: Pam Green
(Transferee)

Copies of the certified mail return-receipts are attached hereto as Exhibit "A."

Respectfully submitted,

Jones, Gregg, Creehan & Gerace, LLP

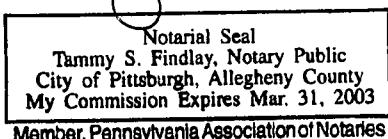
By: Robert L. Monks
Robert L. Monks
PA I.D. No. 52760
411 Seventh Avenue
Suite 1200
Pittsburgh, PA 15219
412-261-6400

Counsel for Petitioner, Michael S. Sensenich

Sworn to and subscribed before me
this 10th day of MARCH, 2003.

Tammy S. Findlay
NOTARY PUBLIC

My Commission Expires:



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

The Cincinnati Insurance Company
6200 South Gilmore Road
Fairfield, OH 45014-5141

2. Article Number

(Transfer from: **7002 0460 0001 3364 6651**)

PS Form 3811, August 2001

Domestic Return Receipt

102595-02-M-1035

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

The Cincinnati Life Insurance Co.
6200 South Gilmore Road
Fairfield, OH 45014-5141

2. Article Number

(Transfer from se **7002 0460 0001 3364 6644 52**)

PS Form 3811, August 2001

Domestic Return Receipt

102595-02-M-1035

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Structured Asset Funding, LLC
1250 East Hallandale Beach Blvd.
Suite 406
Hallandale, FL 33009

Attn: Pam Green**2. Article Num**

(Transfer from **7002 0460 0001**)

PS Form 3811, August 2001

COMPLETE THIS SECTION ON DELIVERY**A. Signature****X H. Setters** Agent Addressee**B. Received by (Printed Name)****H. Setters****C. Date of Delivery****3-3****D. Is delivery address different from item 1?** YesIf YES, enter delivery address below: No**3. Service Type**

Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes**COMPLETE THIS SECTION ON DELIVERY****A. Signature****X H. Setters** Agent Addressee**B. Received by (Printed Name)****H. Setters****C. Date of Delivery****3-3****D. Is delivery address different from item 1?** YesIf YES, enter delivery address below: No**3. Service Type**

Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes**COMPLETE THIS SECTION ON DELIVERY****A. Signature****X D. Jones** Agent Addressee**B. Received by (Printed Name)****D. Jones****C. Date of Delivery****3/3/01****D. Is delivery address different from item 1?** YesIf YES, enter delivery address below: No**3. Service Type**

Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes**EXHIBIT**

tabbed

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102595-02-M-1035

FILED NO CC

MAR 12 2003
SHERIFF

William A. Shaw
Prothonotary

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY
PENNSYLVANIA
CIVIL DIVISION

IN RE: PETITION OF MICHAEL S. SENSENICH
TO TRANSFER STRUCTURED
SETTLEMENT PAYMENT
RIGHTS

No. 2003 - 228 - CD

AFFIDAVIT OF SERVICE OF FINAL ORDER
APPROVING PETITION TO TRANSFER

Before me, the undersigned authority, personally appeared, Robert L. Monks, who, after being first duly sworn according to law, deposes and says that on April 2, 2003, he served a true and correct copy of the Final Order of Court dated April 1, 2003, approving the Petition of Michael S. Sensenich to Transfer Structured Settlement Payment via regular mail postage prepaid, upon the following:

The Cincinnati Insurance Company
6200 South Gilmore Road
Fairfield, OH 45014-5141
(Settlement Obligor)

The Cincinnati Life Insurance Company
6200 South Gilmore Road
Fairfield, OH 45014-5141
(Annuity Issuer)

Structured Asset Funding, LLC
1250 East Hallandale Beach Blvd.
Suite 406
Hallandale, FL 33009
Attn: Pam Green
(Transferee)

FILED

APR 07 2003

W/2:wl
William A. Shaw
Prothonotary

1 cent to file
FBI

Michael S. Sensenich
RD 1, Box 683
Osceola Mills, PA 16666
(Payee)

Respectfully submitted,

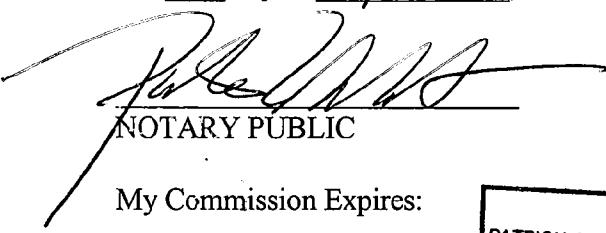
Jones, Gregg, Creehan & Gerace, LLP

By: Robert L. Monks

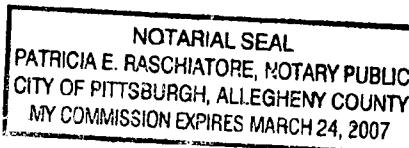
Robert L. Monks
PA I.D. No. 52760
411 Seventh Avenue
Suite 1200
Pittsburgh, PA 15219
412-261-6400

Counsel for Petitioner, Michael S. Sensenich

Sworn to and subscribed before me
this 3rd day of April, 2003.


NOTARY PUBLIC

My Commission Expires:



FILED

APR 07 2003

William A. Shaw
Prothonotary